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common
lots 1 & 2 Renaissance
-TOWNE
CENTRE
v
SW 30-2N - R1E
v
BLK 38 NMC B/HI T/S
v
lot 5, BIK K, UMC B/HI T/S

**DECLARATION OF
COVENANTS, CONDITIONS, EASEMENTS AND RESTRICTIONS
FOR
RENAISSANCE TOWNE CENTRE ✓
(a Commercial Mixed-Use Planned Unit Development)**

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1

**DECLARATION OF
COVENANTS, CONDITIONS, EASEMENTS AND RESTRICTIONS
FOR
RENAISSANCE TOWNE CENTRE
(a Commercial Mixed Use Planned Unit Development)**

THIS DECLARATION OF COVENANTS, CONDITIONS, EASEMENTS AND RESTRICTIONS FOR RENAISSANCE TOWNE CENTRE (a Commercial Mixed-Use Planned Unit Development) is made and executed by TOWN CENTER, LLC, a Utah limited liability company ("Declarant"), for itself, its successors, grantees and assigns.

RECITALS

A. Unless the context provides otherwise, capitalized terms used in this Master Declaration, including these Recitals, are defined in Article 1.

B. Declarant is the owner of that certain real property in Davis County, Utah, which is described in Exhibit "A" attached hereto and made a part hereof by this reference.

C. Declarant is developing a high quality commercial mixed-use planned unit development in an attractive setting to be known as Renaissance Towne Centre (the "Project" as such term is further defined in Section 1.49 below) on the Property situated in Davis County, Utah, as shown on the Master Plat, which is incorporated herein by this reference. The Project may include a mixture of retail, commercial, entertainment, office and/or community projects and planned unit developments, as well as a parking structure, open space and those certain private roadways known as "Renaissance Towne Drive" and "Renaissance Towne Centre," as depicted on the Master Plat, which private roadways constitute Common Elements of the Project, but some of which may be used and enjoyed by the general public.

D. Declarant intends to create such high quality commercial mixed-use planned unit development through the use of a coordinated plan of development and the terms of this Master Declaration. It is anticipated that the plan will provide for comprehensive land planning, and harmonious and appealing landscaping and improvements. It is assumed that each purchaser of a Lot in the Project will be motivated to preserve these qualities through community cooperation and by complying with not only the letter but also the spirit of this Master Declaration. This Master Declaration is designed to complement local governmental regulations, and where conflicts occur, the more restrictive requirements shall prevail.

E. Certain lands immediately adjacent to the Property and more particularly described in Exhibit "B" attached hereto and incorporated herein by this reference (the "Additional Land" as such term is further defined in Section 1.1 below), are owned by others and may have certain access rights across portions of the Property. Declarant intends, without obligation, to include the Additional Land as part of the Project on such terms as Declarant may determine in its sole and exclusive discretion.

F. In furtherance of a common plan of development for the Project, Declarant intends to adopt master covenants, conditions and restrictions affecting the Property and to reserve easements across certain portions of the Property for the benefit of other portions of the

Property and the Additional Land. Declarant will develop and/or convey the Lots in the Project subject to such master covenants, conditions, and restrictions, and subject to and together with such easements, all of which shall run with the title to the Property as hereinafter set forth. Also, Declarant has created the Master Association to which Declarant in due course will delegate and assign the powers of owning, maintaining and administering the Common Elements and the duties of administering and enforcing this Master Declaration, and collection and disbursing the Assessments and charges hereinafter created in connection with the operation, maintenance, repair and replacement of the Common Elements and the functions and obligations of the Master Association created thereunder.

NOW, THEREFORE, for such purposes, Declarant hereby makes the following Master Declaration containing covenants, conditions and restrictions relating to the Project which, pursuant to the provisions of the laws of the State of Utah, shall be enforceable equitable servitudes and shall run with the land:

ARTICLE 1

DEFINITIONS

Each of Recitals A through F are incorporated into and made a part of this Master Declaration for all purposes. Unless otherwise expressly provided, the following words and phrases when used in this Master Declaration shall have the meanings hereinafter specified:

1.1 "Additional Land" shall mean the parcels of real property situated in Davis County, Utah described in Exhibit "B" hereto. In addition, the Additional Land shall also consist of any other real property located not more than two miles from the exterior boundaries of the real property described in Exhibit A and Exhibit B, or any other real property that Declarant or Declarant Affiliate now holds, or in the future may acquire, a fee, leasehold or equitable ownership interest in. Persons other than Declarant currently own all or certain portions of the Additional Land, and a description of the Additional Land is set forth in this Master Declaration solely for purposes of identification. This Master Declaration is not intended as and should not be deemed to constitute any lien, encumbrance, restriction, or limitation upon the Additional Land unless and until it is added to the existing Project in accordance with the provisions of this Master Declaration.

1.2 "Articles" shall mean the Articles of Incorporation of the Master Association, as such Articles may be amended from time to time.

1.3 "Assessable Property" shall mean any Lot, except such part or parts thereof as may from time to time constitute Exempt Property.

1.4 "Assessment(s)" shall mean the charge against each Lot representing the portion of the Common Expenses or other fees which is/are to be paid by the Member or other obligor to the Master Association, including, without limitation, Common Assessments, Special Assessments or Maintenance Charges as provided in Section 5.1 below.

1.5 "Assessment Percentage" shall mean the charge against each Lot representing the percentage portion of the Assessments which the Owner, Declarant or other obligor to the Master Association shall pay to the Master Association, as further described in Section 5.6 below.

1.6 "Assessment Unit" shall mean the total number of assessment units assigned to each Lot, as further described in Section 5.6 below.

1.7 "Board" shall mean the Board of Directors of the Master Association, elected in accordance with the Articles and Bylaws of the Master Association.

1.8 "Bylaws" shall mean the Bylaws of the Master Association, as such Bylaws may be amended from time to time.

1.9 "Building" shall mean any enclosed structure with one or more floors and a roof designated for the exclusive use of one or more occupants, as the case may be, permanently placed, affixed, constructed or located on a Lot, which for the purpose of this Master Declaration shall include any appurtenant supports, service areas and other outward extensions.

1.10 "Change in Control Date" shall mean date on which the Declarant's Class B Membership terminates, which date shall be no later than the earlier to occur of:

1.10.1 Sixty (60) days after conveyance to Owners other than Declarant of all of the Lots that may be created as a subdivided portion of the Additional Land subsequent to Declarant's annexation, without obligation, of each parcel of real property depicted as Additional Land on the Master Plat and also described as Additional Land in this Master Declaration;

1.10.2 On or before the date which is thirty (30) years from the date this Master Declaration is recorded; or

1.10.3 When the Declarant, in its sole and exclusive discretion so determines, as evidenced by a recorded document evidencing Declarant's intent to terminate its Class B Membership.

1.11 "City" shall mean Bountiful City, Utah.

1.12 "Commercial" shall mean any development within the Project intended to be used, leased, or rented for the purpose of conducting commercial business for commercial uses, including, without limitation, medical offices, restaurants, movie theater complexes, fitness facilities, retail stores, business offices, real estate sales facilities, as the same may be developed, used, and defined as provided in this Master Declaration, subsequent amendments or supplements.

1.13 "Common Assessment" shall mean the charge against each Member and its associated Lot, representing the portion of the Common Expenses which is to be paid by such Member or other obligor to the Master Association.

1.14 "Common Elements" shall mean all the following:

1.14.1 All Master Association Land;

1.14.2 All real property, Improvements, facilities and equipment owned by another Person subject to a lease, license, easement or other arrangement in favor of the Master Association;

1.14.3 Any entry monument area;

1.14.4 All land within the Project which the Declarant, by this Master Declaration, recorded instrument or otherwise, designates for the benefit of the Project including, without limitation, landscaping, drainage devices, road shoulders and appurtenances, walkways and street lights; and

1.14.5 The private roadway improvements within the Project shown on the Master Plat as "Renaissance Towne Drive" and "Renaissance Towne Centre" and such other roadway improvements which are not accepted for dedication by a Municipal Authority.

1.15 "Common Expenses" shall mean the expenses (including allocations for Reserves) incurred or assessed by the Master Association in fulfilling its duties, including, without limitation, those certain O & M Expenses described in Section 2.4.6 below. Common Expenses shall *not* include those certain charges levied by any Municipal Authority.

1.16 "Common Expense Fund" means and refers to the fund created or to be created pursuant to the provisions of Section 5.1 of this Master Declaration and into which all monies of the Master Association shall be deposited. Two separate and distinct funds shall be created and maintained thereunder, one for operating expenses and one for capital expenses, which together shall constitute the Common Expense Fund.

1.17 "Declarant" shall mean Town Center, LLC, a Utah limited liability company, and its successors and assigns to whom Town Center, LLC, assigns, in whole or in part, the rights of Declarant hereunder by an express written assignment. Declarant may convey all or a portion of a Lot for purposes of development with or without assigning its rights as Declarant under this Master Declaration.

1.18 "Declarant Affiliate" shall mean any Person directly or indirectly controlling, controlled by or under common control with the Declarant, and shall include, without limitation, any general or limited partnership, limited liability company, limited liability partnership or corporation in which the Declarant (or another Declarant Affiliate) is a general partner, managing member or controlling shareholder.

1.19 "Declarant Control Period" shall mean the period commencing on the date on which the Master Association is formed and ending on the Change of Control Date.

1.20 "Design Guidelines" shall mean the Renaissance Towne Centre Design Guidelines, adopted by the Board in accordance with the Bylaws and this Master Declaration, as amended from time to time.

1.21 "Design Review Committee" shall mean the Design Review Committee for the Project created pursuant to Article 8 hereof.

1.22 "Exempt Property" shall mean the following parts of the Project:

1.22.1 All Common Elements;

1.22.2 All land and Improvements, including, without limitation, that certain parcel of real property depicted as Lot No. 2 on the Master Plat, owned by or dedicated to and accepted by the United States, a Municipal Authority, or any political subdivision thereof, for as long as such entity or political subdivision is the owner thereof or for so long as said dedication remains effective; and

1.22.3 Each Lot and property while owned by Declarant or a Declarant Affiliate, until the earliest to occur of (i) the acquisition of its record title by a Person, other than Declarant or a Declarant Affiliate; or (ii) the ninetieth (90th) day after the City issues a final certificate of occupancy for the first Building or Improvement constructed on Lot No. 1, and then only with respect to Lot No. 1.

1.23 "Governing Documents" shall mean this Master Declaration, any recorded amendments and supplements hereto, the Master Plat, the Articles, the Bylaws, the Design Guidelines, the Master Rules, and the Board's resolutions, as each document may be amended from time to time.

1.24 "Improvement" shall mean all structures and appurtenances thereto of every type and kind, including, without limitation, Buildings, out buildings, walkways, parking garages, surface parking areas, parking structures, roads, driveways, drive aisles, storm drainage retention basins, turn-arounds, fences, screening walls, retaining walls, stairs, decks, landscaping, hedges, windbreaks, planting, planted trees and shrubs, and related fixtures and equipment.

1.25 "Limited Common Element(s)" shall mean a portion of the Common Elements designated by this Master Declaration or a Supplemental Declaration, and as may be shown on a Plat, for the exclusive use of one or more, but fewer than all of the Lots, which Limited Common Elements shall be appurtenant to such Lot or Lots as described on such Plat.

1.26 "Lot" shall mean the real property created as a subdivided portion of a parcel of real property located within the Project, including, without limitation, Lot No. 1. The term "Lot" shall also include any other real property created as a subdivided portion of any parcel depicted as Additional Land on the Master Plat and also described as Additional Land in this Master Declaration, which property shall be located within or annexed to the Project on a Plat duly recorded to the extent such lots or parcels are part of the Project. A Lot shall not include any Exempt Property, including, without limitation, the Exempt Property depicted as Lot No. 2 on the Master Plat.

1.27 "Lot No. 1" shall mean that certain real property depicted as "Lot 1" on the Master Plat and more particularly described in Exhibit A attached hereto, which shall constitute Assessable Property.

1.28 "Lot No. 1 Parking Rights" shall mean the rights of the Owner of Lot No. 1 to use the Parking Structure on the Property to the extent described in Section 2.4.1 below. Lot No. 1 Parking Rights include the right of access to Lot No. 1 shown on the Master Plat for parking and other permitted purposes.

1.29 "Lot No. 2" shall mean that certain real property depicted as "Lot 2" on the Master Plat and more particularly described in Exhibit A attached hereto, which shall constitute Exempt Property.

1.30 "Maintenancce Charge" shall mean the charge against a particular Owner and the Owner's Lot, directly attributable to the Owner, equal to (i) the charge to such Owner for particular items, services, administrative fees or benefits provided by the Master Association at such Owner's request, or (ii) the costs incurred by the Master Association for corrective action performed pursuant to the provisions of this Master Declaration, plus interest thereon and fees (including attorney's fees) and costs.

1.31 "Manager" means such Person retained by the Board to perform certain functions of the Board and the Master Association pursuant to this Master Declaration.

1.32 "Master Association" shall mean the Renaissance Towne Centre Master Association, Inc., a Utah nonprofit corporation, formed by Declarant under the Utah Revised Nonprofit Corporation Act, and its successors and assigns. The Master Association is organized to administer and enforce the covenants and provisions of this Master Declaration and to exercise the rights, powers and duties set forth in this Master Declaration.

1.33 "Master Association Land" means such part or parts of the Project, together with the Improvements thereon, and other real property which the Master Association now or hereafter owns in fee for as long as the Master Association is the owner of the fee.

1.34 "Master Declaration" shall mean this Declaration of Covenants, Conditions, Easements and Restrictions for Renaissance Towne Centre (a Commercial Mixed-Use Planned Unit Development), as amended and supplemented from time to time.

1.35 "Master Plat" shall mean that certain Master Plat for the Project which, among other things, creates and depicts the Lots (described individually thereon as numbered Lots) entitled Renaissance Towne Centre, a Commercial Mixed-Use Planned Unit Development, Phase 1, Plat 1, duly recorded or to be recorded simultaneously herewith in the Office of the Davis County Recorder, State of Utah, as the same may be amended from time to time.

1.36 "Master Rules" shall mean the Master Rules and Regulations for the Project adopted by the Board in accordance with the Bylaws, as amended from time to time.

1.37 "Member(s)" shall mean Class A Members (Owners of Lots other than Declarant), and a Class B Member (Declarant and/or Declarant Affiliates) in the Master Association as provided in Section 4.1 below.

1.38 "Membership" shall mean a membership in the Master Association and the rights granted to the Owners and Declarant pursuant to Article 4 below to participate in the Master Association.

1.39 "Mortgage" shall mean any mortgage, deed of trust, or other security instrument (including the seller's rights under a contract for deed) by which any portion of a Lot, or any part thereof or interest therein, is encumbered in good faith as security for the payment of a debt or obligation. A "First Mortgage" is a Mortgage having priority as to all other Mortgages encumbering any Lot, or any part thereof or interest therein. An "Eligible Mortgage" is a First Mortgage held by an Eligible Mortgagee.

1.40 "Mortgagee" shall mean a Person named as the Mortgagee, beneficiary, or holder of the seller's interest under any Mortgage by which the interest of any Owner of a Lot, or any portion thereof or interest therein, is encumbered, or any successor to the interest of such Person under such Mortgage. A "First Mortgagee" shall mean any Person holding a First Mortgage including any insurer or guarantor of a First Mortgage. An "Eligible Mortgagee" shall mean a First Mortgagee that has requested notice of certain matters from the Master Association in accordance with Section 12.1 below in respect to a particular Lot.

1.41 "Municipal Authority" shall mean any applicable governmental entity or municipality which has jurisdiction over all or some part of the Project, including without limitation, the City and Davis County, Utah.

1.42 "Net Building Area" shall mean with respect to any Lot the total Square Feet, measured from its outside dimensions, of all constructed Buildings located on such Lot, including, without limitation, any mezzanine floors, less basement or ground level areas in the Building used exclusively for storage.

1.43 "Owner" shall mean (i) the City and any Person(s), including the Declarant and/or Declarant Affiliates, who is (are) record holder(s) of legal, beneficial or equitable title to the fee simple interest of any Lot, or any portion thereof or interest therein including, without limitation, one who is buying a Lot, or any portion thereof or interest therein, under a recorded contract or recorded notice of such contract, but excluding others who hold an interest therein merely as security; and (ii) any Person(s) entitled to occupy all of a Lot, or portion thereof or interest therein, under a lease or sublease for an initial term of at least thirty (30) years in which case the lessee or sublessee, rather than the fee owner of the Lot, or portion thereof, shall be deemed the Owner thereof for purposes of this Master Declaration during the term of said lease or sublease.

1.44 "Parking Structure" shall mean that certain parking structure facility which is anticipated to consist of approximately four hundred eighty-four (484) parking stalls to be located on Lot No. 2.

1.45 "Parking Structure Rights" shall mean the rights of the general public to use the Parking Structure on the Property to the extent described in that certain Declaration of

Covenants, Conditions and Restrictions and Tenancy in Common Agreement for Parking Structure at Renaissance Towne Centre, Phase I, Lot 1 to be recorded, this Master Declaration or any other recorded instrument reflecting such Parking Structure Rights over any portion of the Property. Parking Structure Rights include the right of access to Lot No. 2 shown on the Master Plat for parking and other permitted purposes.

1.46 "Plans and Specifications" shall mean plans and specifications to be submitted to the Design Review Committee as provided in Section 8.5.

1.47 "Person" means any individual or entity, including a corporation, partnership, limited partnership, limited liability company, trustee or trust, unincorporated or incorporated association, or any other entity with the legal right to hold title to real property; provided, however, that the term "Person" shall not mean or refer to the Municipal Authority.

1.48 "Plat" shall mean any recorded subdivision plat, except for the Master Plat, covering Lots on the Property, and/or a recorded record of survey map affecting the Project, as such Plat may be amended from time to time.

1.49 "Project" shall mean, refer to, and consist of the Property, the Lots, the Buildings, the Common Elements and all Improvements thereon which are subject to the terms of this Master Declaration.

1.50 "Property" shall mean all of the real property described in Recital B above and in Exhibit "A" attached hereto. The term "Property" shall also include any of the Additional Land that is made subject to this Master Declaration by the recordation of a Supplemental Declaration and a Plat, which inclusion shall be effective from and after the date of recordation of such Supplemental Declaration and Plat.

1.51 "Reserves" shall mean those reserves described in Section 5.1 below.

1.52 "Special Assessment" shall mean assessments which the Master Association may levy from time to time against Lots, in addition to the Common Assessments, for unexpected Common Expenses or other purposes as provided in Section 5.1.3 below which are to be paid by such Member or other obligor to the Master Association.

1.53 "Square Feet" or "Square Footage" shall mean with respect to any Lot the gross square feet constructed above finished grade of a Building or other Improvement located on such Lot, as shown on the building plans, site plans and other construction documents submitted to Declarant or the Design Review Committee pursuant to Article 8, and as measured and calculated by Declarant or the Master Association on a consistent basis. Squarc Foot shall mean the singular of Square Feet.

1.54 "Supplemental Declaration" shall mean any recorded declaration, except for this Master Declaration, covering Lots on the Property recorded by Declarant to subject all or a portion of the Additional Land to this Master Declaration as further described in Section 2.5 below, as such Supplemental Declaration may be amended from time to time.

1.55 "Total Votes of the Master Association" means the total number of votes appertaining to all Lots, as described in Article 4 below.

ARTICLE 2

PROJECT OVERVIEW

2.1 General Purposes. Declarant owns and intends, without obligation, to develop the Property as a commercial mixed-use planned unit development to be known as Renaissance Towne Centre, which will contain a mixture of Commercial projects, Commercial Lots and recreational uses, as well as private roadways and other Commercial Improvements. Declarant intends that this Master Declaration establish and provide for the continued maintenance of the Project as an attractive and desirable commercial mixed-use planned community.

2.2 Densities and Entitlements. The densities and entitlements for the Project are generally described on the Master Plat and in this Master Declaration. Declarant reserves the right to develop the Project to include the total number of Square Feet which has been or may be authorized under the controlling City zoning ordinances and approvals. Declarant specifically reserves the right to request, seek and/or petition the City for additional Square Feet or increased density in connection with the Project, as it shall determine in its sole and exclusive discretion, without obtaining the prior approval or consent of the Master Association, or any Owner or any other third party. Each Owner hereby agrees and acknowledges that the Declarant may unilaterally increase the density associated with the Project, and such increased density, if granted by the City, may modify the number, size and type of developments located within the Project. Notwithstanding that Lot No. 2 constitutes Exempt Property, the Project will initially consist of Lot No. 1 and Lot No. 2 as depicted and described on the Master Plat and Declarant reserves the sole and exclusive right to determine how Lot No. 1 and Lot No. 2, are or are not developed.

2.3 Transfer of Square Feet. Declarant reserves the right to transfer the Square Feet between Lots (including increasing the size of the same) in the event that any Lot listed above is not developed. In addition, Declarant hereby reserves for itself, its successors and assigns, the unilateral right to transfer the Square Feet between and among the Lots owned by the Declarant in the event Declarant or Declarant Affiliate does not utilize all of the Square Feet assigned to a Lot in the development of such Lot's Buildings or other Improvements ("Transfer"), provided that such Transfer does not enlarge the total maximum number of Square Feet at the Project authorized under the controlling City zoning ordinances and approvals. Declarant reserves the right to unilaterally accomplish any such Transfer without the approval or the vote of any Municipal Authority or any other Owner by recording an amendment to this Master Declaration identifying the Transfer, the subject Lots, the Square Feet transferred, and the allocation of Square Feet with respect to the subject Lots both before and after the Transfer's effective date. However, no amendment to the Master Plat shall be required to effectuate any such Transfer. Each Owner shall notify Declarant in writing in the event such Owner does not utilize all of the Square Feet authorizing under the controlling City zoning ordinances and approvals in connection with the Lot that it owns in the development of such Lot, Buildings or other Improvements. Declarant or Declarant Affiliate reserves the right, in its sole and exclusive discretion, to reacquire such undeveloped Square Feet from the Owner at no expense to

Declarant or Declarant Affiliate upon the City's or the Owner's determination that no further building permits for construction of Lots, Buildings or other Improvements will be issued for the Lot based upon the Lot's total maximum Square Feet. Should Declarant or Declarant Affiliate exercise its right to reacquire such undeveloped Square Feet from any Owner, then each Owner specifically acknowledges and agrees that it shall cooperate with Declarant or Declarant Affiliate by executing an instrument in form, substance and content as requested by Declarant or Declarant Affiliate in order to effectuate the purposes described in this Section 2.3. Declarant may transfer such reacquired undeveloped Square Feet between and among the Lots it owns according to the Transfer procedures set forth above.

2.4 Parking Structure, Parking Structure Rights and General Parking Provisions. There may exist at the Project the Parking Structure to be located on Lot No. 2. The Parking Structure, if constructed, shall be subject to the following provisions:

2.4.1 Concurrently and jointly with the Parking Structure Rights, the Parking Structure shall be subject to an express covenant to be known as the Lot No. 1 Parking Rights which shall entitle the Owner of Lot No. 1 and all of its guests, employees, invitees, permittees, licensees, patrons and customers of the medical office Building ("Office Building") to be constructed on Lot No. 1 to use, access and occupy the Parking Structure on a non-exclusive basis. It is contemplated that the Parking Structure shall be utilized as the primary parking facility for the Office Building and that the Owner of Lot No. 1 shall not be required to construct any additional surface parking stalls or other parking facilities to service the Office Building. As Additional Land is annexed to the Project, each Owner hereby covenants and agrees that such Additional Land shall be subject to all of the easements described in this Master Declaration, including, without limitation, those easements described in Section 6.3 below, and shall construct, repair, replace and maintain the appropriate and legally required number of surface parking spaces or other parking facilities to service its specific Building or other Improvement located on such Owner's Lot in strict compliance with all City rules, ordinances and approvals to ensure that there is adequate parking for all Improvements within the Project and all Owners, guests, employees, invitees, permittees, licensees, patrons and customers at the Project.

2.4.2 Declarant anticipates, without obligation, conveying Lot No. 2 to the City prior to the construction of the Parking Structure. Accordingly, it is anticipated that the Parking Structure shall be City-owned property which shall constitute Exempt Property as further described in this Master Declaration. Concurrently and jointly with the Lot No. 1 Parking Rights, the Parking Structure shall be subject to the Parking Structure Rights and shall be open at all times to the Master Association, Declarant, Declarant Affiliate, all Owners and all members of the general public including all guests, employees, invitees, permittees, licensees, patrons and customers at the Project. Such parking shall be available for use by all members of the general public on a non-exclusive basis.

2.4.3 Declarant hereby establishes and grants to, and the City or such other Person who becomes the owner of Lot No. 2 shall, immediately upon becoming such owner and without further act, be deemed to have established and made available to all

other Owners, the Master Association, Declarant, Declarant Affiliates, all members of the general public including all tenants, occupants of the Project, their guests, employees, invitees, permittees, licensees, patrons and customers non-exclusive use and access rights over, across and upon Lot No. 2 for the purposes of utilizing the Parking Structure. Notwithstanding the foregoing, Declarant shall have the right to lease and use on an exclusive basis not more than 10% of the parking spaces within the Parking Structure that are owned by the Municipal Building Authority of The City of Bountiful ("MBA") and designate such leased spaces as "reserved" parking spaces as further described in those certain subsequently executed documents affecting the Parking Structure.

2.4.4 The Parking Structure shall be operated in a first class manner, in accordance with the customary standards for parking facilities in commercial and mixed-use complexes similar to the Buildings and other Improvements located within the vicinity of the Project. Notwithstanding that Lot No. 2 and the Parking Structure to be constructed thereon constitutes Exempt Property, Lot No. 2 and the Owner thereof shall be subject to all of the Design Guidelines and the Design Review Committee review process described in this Master Declaration and the Governing Documents, including, without limitation, those certain design control provisions described in Section 2.10 and Article 8 below. However, Lot No. 2 shall be expressly exempt for the design review fee described in Section 2.11 below.

2.4.5 In connection with the development of the Project, one or more special improvement districts, including, without limitation, parking districts ("Districts"), may be or have been established to facilitate the construction, repair, replacement and maintenance of the Parking Structure. The Districts have or will have the power, among other things, to contract, to acquire and construct the Parking Structure and other Improvements and to finance the cost thereof by the issuance of bonds and to establish rates and charges that enable the Districts to operate such Parking Structure and other Improvements as are necessary to fulfill its purposes. Each Owner hereby agrees and acknowledges that the Project is a part of certain Districts, and may become a part of future Districts, and that Districts have or shall have the right and authority to levy taxes, charges and/or assessments upon owners of taxable property within such Districts. Each Owner will be subject to all charges levied by such Districts and will pay such charges directly to the same. All charges levied by such Districts against owners of taxable property are and shall be the personal and individual obligation of each Owner, and such charges do not constitute a Common Expense.

2.4.6 In connection with the development of the Parking Structure, it is anticipated that the City will use certain tax increment funds received from the Bountiful City Redevelopment Agency to pay first, its base rental obligations to the MBA under that certain master lease with the MBA and second, all operation and maintenance costs of the Parking Structure (the "O & M Expenses"). In the event such tax increment funds, after payment of the City's base rental obligations to the MBA, are insufficient to pay all O & M Expenses, then the Master Association shall include such deficient amounts as may be required to pay all O & M Expenses in full as a portion of its overall Project budget and such deficiency amounts to pay O & M Expenses shall constitute a Common Expense. The Board shall levy and collect the deficiency amounts to pay O & M

Expenses as a part of the Assessments levied by the Master Association pursuant to the provisions of Article 5 below. In such event, each Member is deemed to covenant and agree to pay to the Master Association all such deficiency amounts to pay O & M Expenses as a part of its Assessment obligations as the Master Association shall duly levy.

2.5 Additional Land. Declarant reserves the right to subject all or a portion of the Additional Land to this Master Declaration by the recordation of one or more Supplemental Declarations without the prior consent of any other party or Owner except for the Owner of all or any portion of the Additional Land. Declarant shall identify in each Supplemental Declaration the Additional Land, specify the number of additional Lots, if any or if known, to be added to the Project, and the number of votes and Assessment Units to be allocated to the Additional Land based upon the formulas described in this Master Declaration. The Owner of such Additional Land shall also execute the Supplemental Declaration. Upon recordation of the Supplemental Declaration, the subject Additional Land shall be deemed added to the Property and the number of Lots, Assessment Units and votes shall be automatically increased to include the Additional Land's Lots and other items for purposes of this Master Declaration. The Supplemental Declaration may modify any of the covenants, conditions and restrictions otherwise applicable to the Additional Land in the Supplemental Declaration where such changes are deemed necessary in the discretion of the Declarant to address a unique condition affecting or relating to the Additional Land that is the subject of the Supplemental Declaration or to more fairly allocate the benefits and obligations of membership within the Master Association. In the event that the Declarant and the owner of any of the Additional Land fail to reach an agreement on the terms of inclusion within the Project, the Additional Land will still have such rights of access and be subject to such limitations as are contained in any other agreements with the owners of the Additional Land. This Master Declaration is not intended as and should not be deemed to constitute any lien, encumbrance, restriction, or limitation upon the Additional Land unless and until it is added to the existing Project in accordance with the provisions of this Section 2.5.

2.6 Submission to Declaration. In order to further the general purposes stated above, Declarant hereby declares that all of the Property, and any of the Additional Land hereafter made subject to this Master Declaration by the recordation of a Supplemental Declaration, shall at all times be owned, held, sold, conveyed, occupied, used, and enjoyed subject to the provisions of this Master Declaration and to the covenants, conditions, restrictions, equitable servitudes, reservations, easements, Assessments, charges, and liens provided, referred to or incorporated herein, all of which shall run with the Property (and any of the Additional Land made subject hereto), and all of which shall burden, benefit, and be binding upon Declarant, all other Persons having any right, title or interest in the Property (and any of the Additional Land made subject hereto), or any portion thereof, and their respective successors, assigns, heirs, devisees and personal representatives.

2.7 Master Association Land. Notwithstanding the uses contemplated in this Master Declaration, Declarant reserves the right to convey any Lot, Common Element or other property owned by Declarant to the Master Association as Master Association Land. Further, Declarant reserves the right to subdivide and convey any portion of a Lot owned by Declarant to the Master Association as Master Association Land. The Master Association shall have the right to construct Improvements upon, manage and maintain any and all of the Master Association Land,

other than Limited Common Elements appurtenant to one or more Lots and reserved for the use of specific Owners. The Board shall have the power and right to change the use of any Master Association Land (and in connection therewith, construct, reconstruct, alter or change the Improvements thereon in any manner deemed necessary by the Board to accommodate the new use), provided such new use (i) shall be for the benefit of all of the Members, (ii) shall be consistent with the Governing Documents, and (iii) shall not be inconsistent with the development of any Lot by an Owner pursuant to the Lot's development plans as approved by the City and the Plans and Specifications as approved by the Design Review Committee. Any construction, reconstruction, alteration or change of the Improvements on Master Association Land shall require the approval of the Design Review Committee.

2.8 Readjustment of Lot Line Boundaries. Declarant hereby reserves for itself, Declarant Affiliate and Declarant's successors and assigns, the right to effectuate minor realignment and adjustment of Lot boundary lines for purposes of proper configuration and final engineering of the Project; provided that any such realignment and adjustment does not materially affect any actual or proposed Lot, Building or Improvement (other than landscaping) on the affected Lot. The authority to realign and adjust such Lot boundary lines shall be exclusively reserved to the Declarant, Declarant Affiliate and Declarant's successors or assigns, in their sole and reasonable discretion, subject to the other provisions of this Section 2.8. All Owners specifically acknowledge and agree that they shall cooperate with Declarant to effectuate such minor realignment and adjustment of their respective Lot boundary lines by deed in form and content as requested by the Declarant for the purposes of proper configuration and final engineering of the Lots in relationship to the development of the Project. Further, all Owners acknowledge and agree that no amendment to this Master Declaration or the Master Plat shall be required to effectuate any Lot boundary line adjustments so long as such adjustments are made pursuant to § 17-27-808(7), Utah Code Ann., as amended. More particularly, boundary line adjustments between adjacent Lots may be executed upon the recordation of an appropriate deed if:

2.8.1 } No new Lot, Building or Improvement results from the Lot boundary line adjustment;

2.8.2 } The adjoining property Owners consent to the Lot boundary line adjustment (such consent to be granted by Owners as described above);

2.8.3 } The Lot boundary line adjustment does not result in remnant land that did not previously exist; and

2.8.4 } The adjustment does not result in violation of applicable Municipal Authority zoning requirements.

The forgoing Sections 2.8.1, 2.8.2, 2.8.3 and 2.8.4 are subject to automatic modification to be consistent with any amendments or changes to § 17-27-808(7), Utah Code Ann.

2.9 Right to Develop. Notwithstanding anything contained herein to the contrary, no provision of this Master Declaration is intended or shall be construed to prevent or limit Declarant's rights to develop the Project and to exercise the rights reserved by Declarant as hereinafter provided. Nothing in this Master Declaration shall be construed to require Declarant,

Declarant Affiliate, or Declarant's successor or assigns, to develop any Lot, Building or Improvement in any manner whatsoever.

2.10 Required Approvals for Further Property Restrictions. Subject to the City's review and approval, before further property restrictions are imposed on any Lot or property within the Project, the following approvals must be obtained in writing from the Declarant prior to the Change in Control Date, or thereafter from the Design Review Committee:

2.10.1 All proposed site plans and Plats for any Lot, or any portion thereof (including any Lots into which the Lot is subdivided as provided in this Master Declaration), must be approved in writing by either the Declarant or the Design Review Committee, which approval must be evidenced on the Plat or other instrument creating the subdivision, planned unit development, condominium project or other project prior to recordation thereof or commencement of construction on the applicable Lot. Subsequent to the Declarant's or the Design Review Committee's written approval of a proposed site plan and/or Plat for any Lot, no Owner shall further subdivide or separate such Lot or the Buildings therein created, or any portion thereof, into smaller Lots, Buildings or interests without first obtaining the Declarant's or the Design Review Committee's written approval. This provision shall not, in any way, limit Declarant from subdividing or separating into Lots any property at any time owned by Declarant, and is not intended to prohibit Declarant from selling fractional or undivided interests in Buildings located on any Lot, subject to City and Declarant or Master Association approval.

2.10.2 No further covenants, conditions, restrictions, easements or other instrument which is to be recorded against a Lot shall be effective unless the Owner has obtained the required approval from the Declarant prior to the termination of the Declarant Control Period, or thereafter of the Design Review Committee, which shall be evidenced by an approval letter signed by an authorized representative of the Declarant or the Design Review Committee. Any covenants, conditions, restrictions, easements or other instrument recorded without obtaining such approval shall be voidable at the Declarant's or the Design Review Committee's option, as appropriate, as it shall determine in its sole and exclusive discretion.

2.10.3 No applications for rezoning, variances or use permits, or for waivers of or modifications to existing variances, use permits, zoning stipulations or similar restrictions shall be filed with a Municipal Authority without the prior written approval of the Declarant prior to the termination of the Declarant Control Period, or thereafter the Design Review Committee, and then only if such proposed zoning, variance or use, or waiver or modification, is in compliance with this Master Declaration and any applicable Supplemental Declaration.

2.10.4 As further described in Section 15.2 below, all proposed marketing and advertising materials must be submitted to the Declarant prior to the termination of the Declarant Control Period, or thereafter the Design Review Committee, for the sole and limited purpose of ensuring that such materials are consistent with the overall master commercial planned community development scheme and concept described in this Master Declaration. This provision or Section 15.2 below, or the Declarant's or the

Design Review Committee's approval of such marketing and advertising materials, shall not, in any way, constitute a representation or warranty regarding the authenticity or reliability of such materials, and Declarant and the Design Review Committee hereby disclaim all express or implied warranties regarding the same.

2.10.5 Notwithstanding the foregoing, neither the Declarant nor any Declarant Affiliate shall be required to seek or obtain any of the approvals or consents otherwise required under this Section 2.10 as to any Lot, Building, Improvement, or any portion of either, owned by the Declarant or any Declarant Affiliate.

2.11 Design Review Fee. The Declarant, prior to the termination of the Declarant Control Period, or thereafter the Design Review Committee, shall have the right to charge any Owner a reasonable fee for reviewing requests for approval of any construction, installation, alteration, addition, repair, change, replacement or other work pursuant to this Master Declaration, as the Declarant prior to the termination of the Declarant Control Period, or thereafter the Design Review Committee, shall determine in their sole and exclusive discretion. The design review fee shall be payable at the time the application for approval is submitted to the Declarant prior to the termination of the Declarant Control Period, or thereafter the Design Review Committee. Such fee, if established and charged by the Declarant or the Design Review Committee, shall be set at such reasonable level as the Declarant or the Design Review Committee may estimate will be necessary to defray the reasonable costs and expenses of the Declarant prior to the termination of the Declarant Control Period, or thereafter the Design Review Committee, in reviewing and evaluating any such request or application, and may include, if the Declarant or the Design Review Committee deems it reasonably necessary under the circumstances, an amount to cover the reasonable costs of professional consultation to the Declarant prior to the termination of the Declarant Control Period, or thereafter the Design Review Committee, by an architect, engineer, attorney or other consultant. Such design review fees shall be collected by the Design Review Committee and remitted to the Declarant prior to the termination of the Declarant Control Period, or thereafter the Master Association, to help defray the costs and incidental expenses of the Design Review Committee, including, without limitation, the cost of consultants' and attorneys' fees.

2.12 Legal Description of a Lot. Each Lot shall be identified by permanent reference to the number as shown on the Master Plat or such other subdivision Plat creating the same. Every contract for sale, deed, lease, mortgage, trust deed, or other instrument relating to a Lot may legally describe the Lot as follows:

Lot No. ____ according to the official instrument entitled Renaissance Towne Centre, a Commercial Mixed-Use Planned Unit Development, Phase ____, Plat ____, duly recorded March ____, 2003, in Book ____, at Page ____, in the official records of the Recorder of the County of Davis, State of Utah.

Any legal description substantially in the form provided above or which is otherwise sufficient to identify the Lot shall be good and sufficient for all purposes to sell, convey, transfer and encumber or otherwise affect a Lot and all rights and easements appurtenant thereto.

ARTICLE 3

MASTER ASSOCIATION

3.1 Membership. Every Owner shall be a Member of the Master Association subject to the terms of this Master Declaration, the Articles, Bylaws and Master Rules. The terms and provisions set forth in this Master Declaration, which are binding upon all Owners, are not exclusive, as Owners shall, in addition, be subject to the terms and provisions of the Articles and Bylaws of the Master Association to the extent the provisions thereof are not in conflict with this Master Declaration. Membership shall be appurtenant to each Lot and may not be separated from the interest of an Owner in any Lot. Ownership of a Lot, or any portion thereof or interest therein, shall be the sole qualification for membership in the Master Association; provided, however, a Member's voting rights or privileges in the Common Elements, or both, may be regulated or suspended as provided in this Master Declaration, the Bylaws or the Master Rules.

3.2 Operation and Maintenance. The Master Association shall be responsible for the operation, management, regulation, maintenance, repair and replacement of the Common Elements except to the extent any such functions are assumed by another entity. In addition, the Master Association may operate, manage, maintain, and repair other areas and facilities within the Project as the Board may determine to be in the best interests of the Owners and the Project generally. Without limiting the foregoing, the Master Association shall operate, manage, regulate, maintain, repair and replace:

3.2.1 All private roads, walkways, drainage and storm water devices, lighting, bridges, tunnels, gates and gate houses, parking areas and facilities, recreational amenities, and other facilities constituting the Common Elements, including, without limitation, cleaning and resurfacing, snow removal, sanding and salting, trash removal, signs regulating speed, revegetation and the placement of signs.

3.2.2 To the extent owned by the Master Association, wells, water lines, storm drainage, and water quality systems, and related equipment and facilities.

3.2.3 Trees, shrubs, plants and other vegetation in the Common Elements.

3.2.4 To the extent of the Master Association's interest therein, any Commercial Improvements or any Commercial Lot.

3.3 Health and Safety. Subject to the disclaimers of representations set forth in Article 17 below, the Master Association may, without obligation, provide services for the maintenance of health and safety within the Project including, without limitation, providing facilities, services, and/or personnel for fire protection, emergency medical services, security, the collection and disposal of solid waste and refuse, and animal control.

3.4 Board of Directors and Officers. The affairs of the Master Association shall be conducted by a Board of up to nine (9) directors (odd numbered totals only) and such officers as the Board may elect or appoint in accordance with the Articles and the Bylaws as the same may be amended from time to time. The initial Board shall be composed of at least three (3) directors. The Board may also appoint various committees and appoint the Manager who shall,

subject to the direction of the Board, be responsible for the day-to-day operation of the Master Association. The Board shall determine the compensation to be paid to the Manager. The Board's responsibilities and powers shall include, but shall not be limited to, the following rights and authority:

3.4.1 Grant any and all easements or rights-of-way reasonably related to the development of the Project, including, without limitation, such easements that (i) are required by utilities to serve the Project; (ii) as may be required by (and subject to) the provisions of the Master Plat; (iii) for the purpose of completing all Improvements contemplated by this Master Declaration, including but not limited to Improvements to the Additional Land; and (iv) easements for ingress and egress for pedestrian or vehicular traffic over, through and across the Common Elements, or for any other reasonable purpose, subject to the Board's right to adopt reasonable rules and regulations in connection with the hours of access to, use of, and other reasonable restrictions regarding such easements. The Board shall have the right to relocate and/or reconfigure any and all such easements from time to time as it sees fit without the consent of any Owners (but subject to any necessary approvals of the controlling Municipal Authority); provided, however, that in the event such relocation or reconfiguration results in a materially adverse encroachment on a Lot, Building or Improvement, such relocation or reconfiguration shall require the advance written consent of the Owner of such property. Each and every Owner hereby agrees and acknowledges that he, she or it will execute such further and additional instruments as may be requested by the Master Association documenting the Master Association's right to grant any and all easements or rights-of-way hereunder, in form satisfactory to the Master Association.

3.4.2 Employ or contract with and perform all or any part of the duties and responsibilities of the Master Association, and delegate its powers to committees, officers and employees.

3.4.3 Take such actions as may reasonably be necessary or desirable to enforce the terms and provisions of the Governing Documents or any Supplemental Declaration, including, without limitation, the power to:

3.4.3.1 In a non-emergency situation, after thirty (30) days' written notice, without being liable to any Owner, enter upon any Lot, Building or Improvement for the purpose of enforcing by peaceful means the provisions of this Master Declaration, the Design Guidelines, or for the purpose of maintaining or repairing any such Lot, Building or Improvement if for any reason whatsoever the Owner thereof or other responsible Person, fails to maintain or repair any such Lot, Building or Improvement as required by this Master Declaration.

3.4.3.2 In an emergency situation, after best efforts to give notice, without being liable to any Owner, immediately exercise self-help in any emergency situation and enter upon any Lot, Building or Improvement for the purpose of removing any safety, fire hazard or other emergency situation on any Lot, Building or Improvement which the Owner or other responsible Person refuses to remove immediately. Such self-help shall include, without limitation,

the Master Association's right to tow vehicles that are in violation of the Master Rules.

3.4.4 Take such actions as may reasonably be necessary or desirable to comply with and enforce, to the extent applicable to the Master Association, the terms and provisions of the Master Plat.

3.4.5 Contract with such Persons as may reasonably be necessary or desirable to effectuate the purposes of this Master Declaration, including, without limitation, contractors to collect and dispose of solid waste and refuse, contractors to operate a shuttle or other transportation system within the Project or outside the Project if such outside shuttle or other transportation system is for the benefit of the Project, contractors to provide security services, and the like.

3.5 Insurance. The Master Association shall maintain such policy or policies of liability and fire insurance with respect to the Common Elements and personal property owned by the Master Association as provided herein.

3.6 Assessments. The Master Association shall levy and collect all Assessments as provided herein.

3.7 Master Rules. By a majority vote, the Board may, from time to time and subject to the provisions of this Master Declaration, adopt, amend and repeal rules and regulations to be known as the Master Rules. The Master Rules may restrict and govern the activities and conduct of any Owner, occupant, or its invitees, licensees or tenants at the Project subject to the Board's exclusive discretion. The Master Rules may include, without limitation, certain restrictions, rules and limitations governing all activities, maintenance and conduct in connection with any and all parking Improvements constructed or to be constructed by an Owner on any Lot. However, the Master Rules shall not be inconsistent with the Governing Documents, shall be uniformly applied and shall not differentiate between or among any class or group of Owners unless there is a reasonable basis for such differential treatment, and shall not unreasonably interfere with the rights of any Mortgagee.

3.8 No Parking Restrictions by Owners. No Owner shall impose any restriction, rule or limitation on the public's right to use and access the parking Improvements located on such Owner's Lot pursuant to the parking easement set forth in Section 6.3 below and any such restriction, rule or limitation related to such parking Improvements shall be null and void. Any attempt by an Owner to restrict or limit access to or use of the parking Improvements located on such Owner's Lot shall constitute a violation under this Master Declaration and the Master Association shall have the right to enforce this provision by exercising any remedy or enforcement power available to it under this Master Declaration.

3.9 Professional Management. The Master Association may carry out through the Manager those of its functions which are properly subject to delegation. The Manager so engaged shall be an independent contractor and not an agent or employee of the Master Association, shall be responsible for managing the Project for the benefit of the Master Association and the Members, and shall, to the extent permitted by law and by the terms of the agreement with the Master Association, be authorized to perform any of the functions or acts

required or permitted to be performed by the Master Association itself. Any such management agreement may be terminated by the Declarant without cause at any time prior to the Change in Control Date, or by the Master Association without cause at any time after the Change in Control Date. The above termination provisions shall not apply to any other types of service contracts.

3.10 Implied Rights. The Master Association may exercise any right or privilege given to it expressly by the Governing Documents, or reasonably implied from or reasonably necessary to effectuate any such right or privilege. Except as otherwise specifically provided in the Governing Documents or by law, all rights and powers of the Master Association may be exercised by the Board without a vote of the Members. The Board may institute, defend, settle, or intervene on behalf of the Master Association in mediation, binding or non-binding arbitration, litigation, or administrative proceedings in matters pertaining to the Common Elements, enforcement of the Governing Documents, or any other civil claim or action. However, the Governing Documents shall not be construed as creating any independent legal duty to institute litigation on behalf of or in the name of the Master Association or its Members. In exercising the Master Association's rights and powers, making decisions on behalf of the Master Association, and conducting the Master Association's affairs, the members of the Board shall be subject to, and their actions shall be judged in accordance with, the standards set forth in the Bylaws.

3.11 Promotion and Marketing. In addition to the Declarant and Declarant Affiliates, the Master Association may establish a marketing budget for the Project and may conduct programs that do not conflict with the Declarant or Declarant Affiliates, for the promotion of the Project as an attractive and desirable commercial development, and may promote, publicize, and conduct conferences and special events.

3.12 Personal Liability. No director or any Member of the Master Association, no officer of the Master Association and no Manager or employee of the Master Association shall be personally liable to any Owner, occupant or to any other Person, including the Master Association, for any damage, loss or prejudice suffered or claimed on account of any act, omission, error or negligence of the Master Association, the Board, the Manager, the Design Review Committee, any representative or employee of the Master Association or any committee, committee member or officer of the Master Association; provided, however, the limitations set forth in this Section shall not apply to any Person who has failed to act in good faith or has engaged in willful or intentional misconduct.

3.13 Title to the Common Elements. Declarant hereby agrees that it will convey or assign (where Declarant owns less than the title) all of its right, title and interest in and to the Common Elements to the Master Association, free and clear of all encumbrances and liens, except for the following:

- 3.13.1 Easements, conditions and reservations set forth in this Master Declaration or any Plat;
- 3.13.2 The provisions of the Master Plat;
- 3.13.3 Liens for taxes and Assessments;

3.13.4 The terms of other matters of record, easements, and reservation interests in Declarant's chain of title, excluding financial liens; and

3.13.5 The Parking Structure Rights.

The Declarant may delay, in whole or in part, the conveyance of the title or assignment or rights until after the recording of a Plat or Plats.

3.14 Taxes on Common Elements. Taxes or Assessments levied or assessed against or upon the Common Elements shall be paid by the Master Association and shall constitute a portion of Common Expenses. Each Owner shall execute such instruments and take such action as may be reasonably specified by the Master Association to obtain separate real estate tax Assessments on the Owner's Lot. If any taxes or assessments may, in the opinion of the Master Association, nevertheless be a lien on more than one Lot not under common ownership, or any part thereof, they may be paid by the Master Association, and each Owner shall be obligated to pay or reimburse the Master Association for, as the case may be, the taxes and assessments assessed by the Davis County Assessor or other taxing authority against the Owner's Lot.

3.15 Damage or Destruction to Common Elements. Damage to or destruction of all or any portion of the Common Elements shall be handled in the following manner, notwithstanding any provision in this Master Declaration to the contrary:

3.15.1 In the event of damage or destruction to any Common Element, and if the insurance proceeds are sufficient to effect total restoration, then the Master Association shall cause such Common Element to be repaired and reconstructed substantially as it previously existed.

3.15.2 If the insurance proceeds are insufficient to effect total restoration, then the Master Association shall cause such Common Element to be repaired and reconstructed substantially as it previously existed and the difference between the insurance proceeds and the actual cost shall be levied as a Special Assessment against each of the Owners, in accordance with the provisions of this Master Declaration.

3.16 Change of Use of Master Association Land. The Board shall have the power and right to change the use of any portion or portions of the Project and other real property that the Master Association now or hereafter owns in fee for as long as the Master Association is the owner of the fee which constitutes Master Association Land (and in connection therewith, construct, reconstruct, alter or change the Improvements thereon in any manner deemed necessary by the Board to accommodate the new use), provided such new use (i) shall be for the benefit of all of the Members, (ii) shall be consistent with the Governing Documents, and (iii) shall not be inconsistent with the development of any Lot by an Owner pursuant to the Lot's development plans as approved by the appropriate Municipal Authority and the Design Review Committee. Any construction, reconstruction, alteration or change of the Improvements on Master Association Land shall require the approval of the Design Review Committee.

3.17 Master Association Additional Rights. The Master Association shall have the following additional rights:

3.17.1 In accordance with the Articles, Bylaws and this Master Declaration, the Master Association shall have the right to borrow money or pledge Assessments for any reasonable purpose as the Board shall determine in its sole and exclusive discretion, including without limitation for the purpose of improving the Common Elements and in aid thereof. Moreover, the Master Association shall have the right to mortgage, pledge, deed in trust, or hypothecate any or all of its real or personal property as security for money borrowed or debts incurred, provided that the rights so granted by the Master Association shall be subordinated to the rights of the Owners to retain an undivided ownership interest in the Common Elements, and to use and occupy the same as described herein.

3.17.2 The right of the Master Association to suspend the voting rights and rights to use the Common Elements, except for ingress and egress to the Owner's Lot, by an Owner for any period during which any Assessment against the specific Lot remains unpaid and delinquent, and for a period not to exceed thirty (30) days for any single infraction of the Master Rules.

3.17.3 The right of the Master Association to dedicate, release, alienate, lease or transfer all or any part of the Common Elements to any public or private entity, agency, authority or utility for such purposes and subject to such conditions as may be agreed to by 75% of the Total Votes of the Master Association.

3.17.4 The right of the Master Association to reconstruct, replace or refinish any Improvement or portion thereof upon the Common Elements.

3.17.5 The right of the Master Association to plant and maintain trees, shrubs, ground cover and other vegetation upon any portion of the Common Elements.

3.17.6 The right of the Owner of the mineral estate underlying any part of the Property to exercise the Owner's reserved rights with respect thereto.

3.17.7 The right of the Master Association to establish a marketing budget to promote and market the Project subject to the provisions of Section 3.11 above.

Nothing in this Section 3.17, or elsewhere in this Master Declaration, shall limit, amend or otherwise restrict the Master Association's and/or Declarant's broad powers and rights to execute, grant, transfer, convey, and/or reserve those certain easements, licenses and rights-of-way specifically described in Article 6 below.

ARTICLE 4

MEMBERSHIPS AND VOTING

4.1 Membership in the Master Association. The Master Association shall have two classes of Membership: Class A Members and a Class B Member. Each Owner of a Lot shall be a Class A Member of the Master Association. Initially, the Owner of Lot No. 1 shall be the sole Class A Member until such time as Declarant exercises its option to annex the Additional Land

to the Project pursuant to the provisions of Section 2.5 above. The Declarant or Declarant Affiliates shall be Class B Members in the Master Association until the Change in Control Date.

4.2 Voting. Each Member shall be entitled to the following voting rights, calculated based on the Membership type (Class A or Class B) and the total Net Building Area on the Lot owned by that Member:

4.2.1 Each Class A Member is assigned one (1) vote per Square Foot of Net Building Area on its respective Lot, subject to the authority of the Board to suspend the voting rights of the Member for violations of this Master Declaration in accordance with the provisions hereof. The votes of each Class A Member may be cast in total or split within the discretion of the Owner. To the extent more than one Person owns any Lot ("co-owner") all such co-owners shall be Class A Members and may attend any meetings of the Master Association, but only one such co-owner shall be entitled to exercise the votes to which the Lot is entitled. Such co-owners may from time to time all designate in writing to the Board one such co-owner to vote. Where no voting co-owner is designated or if such designation has been revoked, the votes for such Lot shall be exercised as the majority of the co-owners of the Lot mutually agree. Unless the Board receives a written objection from a co-owner, it shall be conclusively presumed that the voting co-owner is acting with the consent of all co-owners of the Lot. No votes shall be cast for any Lot where the majority of the Owners present in person or by proxy and representing such Lot cannot agree to said vote or other action. All agreements and determinations lawfully made by the Master Association in accordance with the voting procedures established herein, or in the Bylaws, shall be deemed to be binding on all Owners, their successors and assigns. The voting and non-voting co-owner or co-owners shall be jointly and severally responsible for all of the obligations imposed upon the jointly owned Lot. Said voting rights shall be subject to the restrictions and limitations provided in this Master Declaration and in the Articles and Bylaws. The number of Class A Members shall increase by the number of Lots in any Additional Property added to the Project.

4.2.2 During the Declarant Control Period, Declarant and Declarant Affiliates shall be Class B Members of the Master Association and shall be entitled to three (3) votes for each Square Foot assigned to each Lot owned by Declarant or Declarant Affiliate. Declarant's Class B Membership shall expire with respect to each Lot owned by Declarant or a Declarant Affiliate upon the earlier to occur of (i) the date Declarant or Declarant Affiliate shall transfer such Lot to an Owner or Person other than Declarant or a Declarant Affiliate, or (ii) the Change in Control Date. Thereafter, the Class B Membership shall be considered "terminated" under this Master Declaration and Declarant and Declarant Affiliates shall be Class A Members of the Master Association and shall be entitled to one (1) vote for each Square Foot of Net Building Area assigned to such Lots it owns. At such time, the Class B Member shall advise the Board of the termination of Class B Membership status.

4.2.3 Until such time as the Class B Memberships are converted to Class A Memberships, each Class B Member other than Declarant shall be conclusively presumed, by accepting the conveyance of a Lot's legal title from Declarant or another Class B Member, to have (i) given Declarant an irrevocable and exclusive proxy to cast

such Class B Member's votes on each such question coming before the Master Association while such Class B Member holds such title; and (ii) agreed with Declarant that such proxy is given to and relied on by Declarant in connection with Declarant's sale or conveyance of such Lots to such Class B Member, and in connection with Declarant's development, construction, marketing, sale and leasing of the Project or the Additional Land, and is coupled with an interest.

4.2.4 The Declarant, as holder of the right to vote the Class B Memberships, may appoint a majority of the Directors as provided in this Master Declaration and the other Governing Documents.

4.3 Membership and Ownership Rights. Each Owner shall have the respective rights, duties and obligations set forth in this Master Declaration and such other rights, duties and obligations as are set forth in the Governing Documents, as the same may be amended from time to time.

4.4 Transfer Fee. Subject to the Board's sole and exclusive discretion, each purchaser of a Lot, Building or Improvement may be subject to a transfer fee payable to the Master Association immediately upon becoming the Owner of the Lot, Building or Improvement in such amount as is established from time to time by the Board, to reimburse the Master Association for costs incurred by the Master Association in connection with transfer of title to such new Owner; provided that no such transfer fee shall be payable with respect to (i) the creation of any Mortgage, (ii) in connection with any foreclosure of a First Mortgage, (iii) the exercise of a power of sale available under a First Mortgage, (iv) the taking of a deed or assignment in lieu of a foreclosure by a First Mortgagee or (v) the conveyance by a First Mortgagee of a deed in respect of a Lot, or part thereof or interest therein, to a grantee if such First Mortgagee shall have obtained title to such Lot, or part thereof or interest therein, pursuant to subclause (ii), (iii) or (iv) above.

4.5 Action. Unless a greater than simple majority of the Membership is specified as being required in this Master Declaration, the Articles or the Bylaws, or unless any decision is specified in the Bylaws or this Master Declaration as requiring the approvals of a particular class of Members, any provision requiring the vote or approval of the Members shall require the approval of a simple majority of the Total Votes of the Master Association exercised in person or by proxy at a meeting of the Members at which a quorum is present. Any provision of this Master Declaration or the Articles or Bylaws requiring the vote or approval of a particular class of Membership shall require the approval of a simple majority of the Total Votes of the Master Association applicable to the class present in person or by proxy at a required meeting of the Members at which a quorum of the class is present.

ARTICLE 5

COVENANT FOR ASSESSMENTS AND CREATION OF LIEN

5.1 Assessments. The Master Association shall have the right to levy and collect Assessments as provided in this Section. Each Member is deemed to covenant and agree to pay to the Master Association all such Assessments as the Master Association shall duly levy.

5.1.1 Purpose of Common Assessments. Common Assessments levied by the Master Association shall be based upon advance estimates of the Master Association's cash requirements to provide for payment of all estimated expenses arising out of or connected with the maintenance and operation of the Common Elements and operating the Master Association. Such estimated expenses may include, without limitation, the following: expenses to promote the common health, safety, benefit, recreation and welfare of the Members and Owners; expenses to meet any obligations imposed on, growing out of, connected to, incurred or assumed by the Master Association to cover costs, including overhead and administrative costs, for the operation of the Master Association; the Board's establishment and creation of adequate Reserves, surplus and/or sinking funds for maintenance, repair, and replacement of the Common Elements; and all expenses related to the operation, management, maintenance, repair, and replacement of the Common Elements which estimates may include, among other things, expenses of snow removal, taxes and other charges or assessments levied against the Project by a controlling taxing authority, premiums for all insurance which the Master Association is required or permitted to maintain pursuant to this Master Declaration, wages for Master Association employees, compensation of a Manager, legal and accounting fees, and any other expenses and liabilities which may be incurred by the Master Association for the benefit of the Members and Owners. Such expenses shall constitute the Common Expenses, and all funds received from Assessments under this Section 5.1 shall be part of the Common Expense Fund described in Section 5.1.1.4 below. Common Assessments shall be levied against each Lot and shall be payable in such manner and at such times, including monthly or quarterly installments, as the Board may determine pursuant to Section 5.1.1.2 below.

5.1.1.1 Annual Budget and Fiscal Year. Common Assessments shall be determined on the basis of a fiscal year beginning January 1 and ending December 31 next following; provided that the first fiscal year shall commence upon the first conveyance of a Lot to an Owner other than Declarant or a Declarant Affiliate, and terminate on December 31 of such year, and thereafter shall be based on the fiscal year of the Master Association as previously described. On or before November 15th of each year thereafter, the Board shall prepare and furnish to each Member, and any Eligible Mortgagee that has requested a copy thereof in writing, or cause to be prepared and furnished to each Member, or any Eligible Mortgagee that has requested a copy thereof in writing, an operating budget for the upcoming fiscal year. The budget shall itemize the estimated Common Expenses for such fiscal year, anticipated receipts (if any) and any deficit or surplus from the prior operating period. The budget shall serve as the supporting document for the annual Common Assessment for the upcoming fiscal year and as the major guideline under which the Project shall be operated during such annual period. The Board in its sole discretion from time to time may change the fiscal year by its own resolution.

5.1.1.2 Notice and Payment. Except with respect to the first fiscal year, the Board shall notify each Member in writing as to the amount of the Common Assessment against its Lot on or before December 1 each year for the fiscal year beginning on January 1 next following. Each Common Assessment

shall be payable annually, quarterly or monthly as the Board shall determine in its sole and exclusive discretion; provided, however, the Board shall notify all Members in advance of such payment periods and due dates. Assessments shall commence against all Lots within the Property on the first day of the month following the conveyance of the first Lot within the Property by Declaration to an Owner other than Declarant or a Declarant Affiliate.

5.1.1.3 Late Penalties and Fees. All unpaid installments of any Common Assessment shall bear interest at the rate established by the Board not to exceed twenty-one percent (21%) per annum fifteen (15) days after the date each such installment became due until paid and the Member shall be liable for a late fee as determined by the Board, and all costs, including attorneys' fees incurred by the Master Association in collecting the same. In addition, in the event that any installment of the Common Assessment is not paid within fifteen (15) days of the date such installment becomes due, the Master Association may, at its option, and upon fifteen (15) days prior written notice to the Member, accelerate the due date for all remaining unpaid installments of the Common Assessment for the remainder of the fiscal year and all accrued but unpaid interest thereon. Payment of the Common Assessment installments so accelerated shall be due at the expiration of said fifteen (15) day notice period and interest shall accrue on the entire sum at the rate established by the Board not to exceed twenty-one percent (21%) per annum from such date until paid in full. The failure of the Board to give timely notice of any Common Assessment as provided herein shall not be deemed a waiver or modification in any respect of the provisions of this Master Declaration, or a release of any Member from the obligation to pay such Assessment or any other Assessment; but the date when the payment shall become due in such case shall be deferred to a date fifteen (15) days after notice of such Assessment shall have been given to the Member in the manner provided in this Master Declaration.

5.1.1.4 Common Expense Fund. The Master Association shall establish and maintain two (2) separate and distinct funds, one for operating expenses and one for capital reserve expenses, which funds shall constitute the Reserves. These two (2) funds shall be maintained out of Common Assessments for Common Expenses, which together shall constitute the Common Expense Fund.

5.1.1.5 Reserves. Common Assessments shall include reasonable amounts as determined by the Board collected as Reserves for the future periodic maintenance, repair and replacement of all or a portion of the Common Elements, or for any other purpose as determined by the Board. All amounts collected as Reserves, whether pursuant to this Section or otherwise, shall be deposited by the Board into the Common Expense Fund. The Members shall deem such Reserves a contribution to the capital account of the Master Association.

5.1.2 Purpose of Maintenance Charges. Maintenance Charges levied by the Master Association shall be levied against a particular Lot to cover costs, including overhead and, administrative costs, for:

5.1.2.1 Providing particular services, items, or benefits to a Lot, Building or Improvement at the request of the Owner thereof pursuant to a list of special services which the Board may authorize from time to time including, without limitation, snow removal, landscape maintenance, and handyman services, and which Assessments may be levied in advance of providing such special services.

5.1.2.2 Enforcing any provision of the Governing Documents against any Owner, or of bringing any Lot, Building or Improvement into compliance with such requirements.

5.1.2.3 Maintenance, repairs, or replacements of or within the Common Elements arising out of or caused by the willful or negligent act or omission of an Owner or the Owner's guest, invitees, licensees or tenants.

5.1.3 Purpose of Special Assessments. The Board may levy Special Assessments from time to time to cover unbudgeted expenses or expenses in excess of those budgeted. Except as otherwise provided in the Articles, Bylaws, or in this Master Declaration, the Board shall not, without the affirmative majority vote the Total Votes of the Association, levy Special Assessments which in the aggregate exceed twenty percent (20%) of the budgeted gross expenses of the Association for that fiscal year. Special Assessments shall be levied against each Lot, and shall be payable in such manner and at such times, including installments over time, as the Board may determine. The Board may levy Special Assessments for any reason, as it shall determine in its sole and exclusive discretion, including without limitation Special Assessments for the purpose of defraying, in whole or in part, the cost of any design, permitting, construction, reconstruction, repair, and replacement of a capital improvement of or upon the Common Elements, including fixtures and personal property related thereto.

5.2 Creation of the Lien and Personal Obligation of Assessments. Declarant, for each Lot owned by it, hereby covenants and agrees, and each Member is deemed to covenant and agree, to pay to the Master Association all Assessments levied as provided herein, and each such Assessment together with interest, costs and reasonable attorneys' fees for the collection thereof, shall be a charge on the Lot and shall be a continuing lien upon the Lot against which such Assessment is made. No diminution or abatement of Assessments or set-off shall be claimed or allowed by reason of any alleged failure of the Master Association or Board to take some action or perform some function required to be taken or performed by the Master Association or Board under this Master Declaration or the Bylaws, or for inconvenience or discomfort arising from the making of repairs or improvements which are the responsibility of the Master Association, or from any action taken to comply with any law, ordinance, or with any order or directive of any Municipal Authority, the obligation to pay Assessments being a separate and independent covenant on the part of each Member. The Assessments together with interest, costs and reasonable attorney's fees, shall be a charge on the Lot and shall be a continuing servitude and

lien upon the Lot against which each such Assessment is made. Each and every Assessment, together with interest, costs and reasonable attorneys' fees, shall also be the personal obligation of the Owner at the time when the Assessment fell due.

5.3 Adjustment of Assessments. The Master Association may phase-in its budget for Assessment purposes during the first three years after the commencement of Assessments under Section 5.7 with approximately equal monthly additions so that the amount of the budget (determined based on assumed full operation) collected in the first month will be one-thirty sixth (1/36) of the normal monthly Assessment under the full budget, the amount collected will be two-thirty sixths (2/36) of the normal monthly Assessment in the second month, and so on, until the full normal monthly amount is collected in the thirty-sixth month. The Master Association shall reduce its expenditures to not exceed its collections in these phase-in months. Further, in the event that a Plat is recorded, or any Additional Land is made subject to this Master Declaration, the Board shall have the power to make equitable and reasonable adjustments in the amounts of Assessments (or installments thereof) so as to take into account (i) any increases in Assessments payable to the Master Association resulting from the inclusion of a new Member or the annexation of the Additional Land, and (ii) any increases in Common Expenses resulting from the inclusion of new Member or the annexation of the Additional Land.

5.4 Homestead Waiver. Each Owner, to the extent permitted by law, does hereby waive, to the extent of any liens created pursuant to this Master Declaration, whether such liens are now in existence or are created at any time in the future, the benefit of any homestead or exemption laws of the State of Utah now in effect from time to time hereafter.

5.5 Multiple Assessments Levied Against Lot Resulting from Merger or Combination. Whenever two or more adjacent Lots are combined, then the resulting combined new Lot shall be considered a single Lot for all purposes except voting and Assessments, and shall be assessed as two Lots and shall have two Class A Memberships appurtenant to the combined Lot.

5.6 Assessment Percentage. All Assessments of the Master Association payable during a calendar year shall be prorated among the Lots in existence at the beginning of the calendar year utilizing the following Assessment Percentages:

5.6.1 The basis for all Assessments is the number of Assessment Units allocated to each Lot. The number of Assessment Units will be the same as the total number of Square Feet of Net Building Area of each such Lot. The Assessment Percentage attributable to each Lot shall be determined by dividing the number of Assessment Units attributable to each Lot by the total number of Assessment Units in the Project, as such Assessment Units may be modified subject to such greater amount of Square Feet of Net Building Area which have been or may be granted by the City.

5.6.2 Notwithstanding the foregoing bases for all Assessments, each Lot shall be assessed a Common Assessment of twenty-five percent (25%) of the Common Assessment attributable to such Lot based upon the maximum number of Square Feet of Net Building Area allowed under controlling City zoning ordinances and approvals until the earliest of: (i) the completion of a Building on the Lot; (ii) six (6) months from the commencement of construction of a Building on the Lot; or (iii) four (4) years from the

date of the recording of the Supplemental Declaration applicable to the Lot, if any (or to the real parcel from which the Lot was created). Thereafter, the Lot shall be assessed the total Common Assessment established by the Board.

5.6.3 For purposes of this Master Declaration and particularly Section 5.6.2 above, construction of a Building or other Improvement shall be deemed to commence on the earlier of: (i) the date on which the excavation of the basement or foundation footings is completed; or (ii) the date on which a building permit for the Building or other Improvement is issued by the City. Moreover, for purposes of this Master Declaration and particularly Section 5.6.2 above, a Building or other Improvement shall be deemed completed when, in the opinion of Declarant, prior to the Change in Control Date, and thereafter, the Board, the building is ready for occupancy.

5.6.4 Declarant during the Declarant Control Period, and thereafter the Board, shall have the right to unilaterally calculate the Assessment Units in the event of (i) any transfer of Square Feet between Lots, as set forth in Section 2.3 above; (ii) in the event that the City has granted or may grant such greater amount of Square Feet of Net Building Area in connection with the Project pursuant to the City's controlling zoning ordinances; or (iii) in the event Declarant annexes any portion of the Additional Land as set forth in Section 2.5 above. Any such calculations may be made by the Declarant alone during the Declarant Control Period, and thereafter the Board, without the vote, joinder or consent of any other Owner, Person or Municipal Authority.

5.6.5 If the rate of Assessment for any Lot changes during any fiscal year pursuant to the provisions of Section 5.6.4, the Common Assessment attributable to such Lot shall be prorated between the applicable rates upon the basis of the number of days in the fiscal year that the Lot or was assessed under each rate.

5.6.6 Each Member shall be obligated to pay that portion of each Assessment, determined by multiplying the total Assessment by the Assessment Percentage of said Member. Except in the event of an approved transfer of Square Feet between Lots as set forth in Section 2.3 above, each Member shall be obligated to pay the full Assessment amount assessed against such Lot based upon the formula described in this Section 5.6, regardless of whether or not the Owner thereof purposefully or mistakenly underutilized the total number of Square Feet assigned to such Lot.

5.7 Date of Commencement of Assessments. Except as provided in Section 5.8 below, Assessments shall commence as to a Lot upon conveyance of the Lot to an Owner or other third party that is not a Declarant Affiliate. The first Common Assessment shall be adjusted according to the number of months remaining in the fiscal year of the Master Association. In the event the amount budgeted to meet Common Expenses for the then current fiscal year proves to be excessive in light of the actual Common Expenses, the Board in its discretion may either reduce the amount of Common Assessments or may abate collection of Common Assessments, as it deems appropriate. Nothing in this Section shall require the Board either to abate or reduce the amount of Common Assessments.

5.8 Exempt Property Assessments. Notwithstanding any other provision of this Master Declaration to the contrary, all Exempt Property described herein shall be exempt from

the Assessments and membership in the Master Association; provided, however, that Exempt Property owned by Declarant during any period of exemption shall in all other respects be accorded all of the privileges and responsibilities of membership in the Master Association. Anything in this Section to the contrary notwithstanding, if, after an Assessment's record date but before the end of the fiscal year for which it is levied, an Exempt Property becomes Assessable Property, then each Assessment which would have been levied against such Assessable Property for such fiscal year if it were not Exempt Property (as hereafter reduced) shall be due on the later of (i) the date on which such Assessment would have been due, if such part of the Project had been Assessable Property on such record date, or (ii) the date on which such Assessable Property becomes subject to Assessment levy. If Exempt Property becomes an Assessable Property as provided for above, then the Master Association shall be deemed, automatically and without the need for further action, to have levied against it each Assessment for such fiscal year which the Master Association has levied against the other Assessable Properties. Each such Assessment levied against such Assessable Property shall be in an amount determined under this Section as if it were eligible for such levy on such record date, but then reduced in proportion to the number of days (if any) in such fiscal year elapsed as of (and including) the date on which such Parcel Declaration is Recorded, or such Exempt Property becomes an Assessable Property, as the case may be. Nothing contained in this Article 5 or otherwise in this Master Declaration shall effect Declarant's rights to subsidize the Master Association as set forth in Section 5.9 below.

5.9 Declarant Subsidy. Declarant or a Declarant Affiliate may expressly waive its right to an exemption from Assessments as to some or all Exempt Properties of which it is then the Owner by recording an amendment to this Master Declaration identifying such Exempt Properties and signed by it and all First Mortgagees of such Exempt Properties. In such event, the Declarant's exemption shall terminate as to each identified Exempt Property when such an amendment to this Master Declaration is recorded. Any such waiver shall run with the title to each such Exempt Property and bind its subsequent Owners, including Declarant or any Declarant Affiliate. Notwithstanding any other provision of this Master Declaration to the contrary, no Assessments shall be levied against Exempt Property owned by the Declarant or Declarant Affiliate. However, in the event Declarant or a Declarant Affiliate expressly waives its right to an exemption from Assessments as to some or all Exempt Properties of which it is then the Owner, then Declarant reserves the right, for as long as any such Lot is owned by Declarant or a Declarant Affiliate, to pay to the Master Association, in lieu of regular Assessments, the amount by which (i) the actual cost and expense of operating and administering the Master Association and maintaining reasonable reserves for maintenance, replacement and repairs and for contingencies, all as provided in this Master Declaration, exceeds (ii) the total amount of Assessments levied against and collected from Class A Members. The subsidy required of Declarant under this Section may be in the form of cash or in the form of "in-kind" contributions of goods or services, or in any combination of the foregoing, provided that "in-kind" contributions of goods or services must directly reduce the Master Association's costs and expenses for which an Assessment is being levied as set forth in the Master Association's budget, with such goods or services being valued at the amount the budgeted costs and expenses of the Master Association are so reduced. By way of example, but not by limitation, if the budgeted Master Association expenses for a particular Assessment period includes \$50,000 for snow removal services pertaining to Common Elements, and Declarant actually provides such snow removal services during that Assessment period, then Declarant's subsidy obligation for that Assessment period shall be reduced by \$50,000. Declarant shall make payments or contributions

in respect to its subsidy obligations under this Section at such time as the Board may reasonably request from time to time as necessary to ensure that there are sufficient funds available for payment of Master Association costs and expenses and accumulation of adequate reserves (but in any event not more often than monthly). Within thirty (30) days of the end of each Assessment period, the Board shall make an accounting of the Declarant's subsidy obligations for that period, what amounts have been paid by Declarant (in cash, goods or services) with respect to such obligations, and what amounts are due. A copy of the accounting shall be sent to the Declarant. Declarant shall make payments or contributions in respect of its subsidy obligations under this Section at such times as the Board may reasonably request from time to time (but shall not be required to make such payments or contributions more often than monthly). At the end of each Assessment period, either: (i) Declarant shall pay or contribute to the Master Association such additional funds, goods or services (or any combination thereof) as may be necessary, when added to all other funds, goods and services paid or contributed by Declarant during such Assessment period, to satisfy in full Declarant's subsidy obligations under this Section for such Assessment period; or (ii) the Master Association shall pay to Declarant or credit against Declarant's subsidy obligation for the immediately following Assessment period, as Declarant may elect, the amount, if any, by which the total of all payments or contributions paid or made by Declarant during such Assessment period exceeded the total subsidy obligation of Declarant for such Assessment period under this Section.

5.10 Report to Members. The Board shall cause to be prepared an annual balance sheet and operating statement reflecting income and expenditures of the Master Association for each fiscal year, and shall cause to be distributed a copy of each such statement to each Member. The Board shall prepare and distribute to the Membership of the Master Association at the time of delivery of notice of each proposed Common Assessment pursuant to Section 5.1, a written, itemized estimate of the expenses to be incurred by the Master Association during such year in performing its functions under this Master Declaration, less any expected income and accounting for any surplus from the prior year's Assessments.

5.11 Excess Funds. At the end of any fiscal year of the Master Association, the Board may determine that all excess funds of the Master Association, over and above the amounts used for any purpose, may be returned to the Members proportionately, or may be retained by the Master Association and used for Reserves, to supplement any required impound account or to reduce the following year's Common Assessments.

5.12 Effect of Non-payment of Assessments: Remedies of the Master Association. Any installment of an Assessment not paid within thirty (30) days after the due date shall bear interest from the due date of such installment to the date paid at the rate of up to twenty-one percent (21%) per annum as further described in Section 5.1.1.3. If any installment of an Assessment is not paid within thirty (30) days after it is due, the Owner responsible therefore may be required further by the Board to pay a reasonable late charge in an amount as the Board shall determine in its sole and exclusive discretion.

5.13 Enforcement. The Master Association may enforce the payment of the Assessments by taking any or all of the following actions, concurrently or separately (and by exercising any of the remedies hereinafter set forth, the Master Association does not prejudice or waive its right to exercise the other remedy):

5.13.1 Bring an action at law and recover judgment against the Member personally obligated to pay the Assessments; and

5.13.2 Subject to Section 5.15 below, foreclose the Assessment lien against any Lot in accordance with the then prevailing Utah law relating to the foreclosure of realty mortgages or deeds of trust (including the right to recover any deficiency), the method recognized under Utah law for the enforcement of a mechanic's lien which has been established in accordance with Chapter 1, Title 38, Utah Code Annotated, as amended from time to time, or any other means permitted by law, and the Lot may be redeemed after foreclosure sale if provided by law. In order to facilitate the foreclosure of any such lien in the manner provided at law for the foreclosure of deeds of trust, Declarant, prior to the Change in Control Date, and thereafter the Board, shall have the right to designate and appoint as the trustee to exercise said power of sale, any person or entity qualified to act as a trustee under § 57-1-21, Utah Code Ann., as amended. Such trustee, and any successors, shall not have any other right, title or interest in the Project beyond those rights and interests necessary and appropriate to foreclose any liens against Lots arising pursuant hereto. In any such foreclosure, the Owner with respect to the Lot being foreclosed shall be required to pay the costs and expenses of such proceeding (including reasonable attorneys' fees), and such costs and expenses shall be secured by the lien being foreclosed. The Master Association, through its duly authorized agents, shall have the power to bid at any foreclosure sale and to purchase, acquire, hold, lease, mortgage and convey any and all Lots purchased at such sale. During the Declarant Control Period, Declarant reserves for itself and Declarant Affiliates, successors, and assigns the unilateral right to remove Aspen Title Insurance Agency, or any successor trustee, pursuant to this Section, and to release, cancel and discharge the conveyance and grant to Aspen Title Insurance Agency, or any successor trustee, as it shall determine in its sole and exclusive discretion, without obtaining the prior approval or consent of the Master Association, or any Owner or any other third party.

5.14 Personal Liability. Notwithstanding subordination of an Assessment lien as described in Section 5.15 below, the delinquent Owner shall remain personally liable for the Assessments and related costs after its Membership is terminated by foreclosure or deed in lieu of foreclosure or otherwise. No Owner may waive or otherwise escape liability for the Assessments provided for herein by non-use of the Common Elements or by abandonment of the Lot.

5.15 Subordination of Assessment Lien to First Mortgage; Priority of Lien. The Assessment lien provided for herein shall be subordinate to any First Mortgage on a Lot, or part thereof or interest therein, and shall also be subject and subordinate to liens for taxes and other public charges, which by applicable law are expressly made superior. Except as provided above, the Assessment lien shall be superior to any and all charges, liens or encumbrances which hereafter in any manner may arise or be imposed upon each Lot. Sale or transfer of any Lot shall not affect the Assessment lien; provided, however, that if the sale or transfer is pursuant to foreclosure of a First Mortgage to which the Assessment lien is subordinate, or pursuant to any sale or proceeding in lieu thereof, the purchaser at the mortgage foreclosure or deed of trust or other sale, or any grantee taking by deed in lieu of foreclosure, shall take the Lot free of the Assessment lien for all Assessments that have accrued up to the date of issuance of a sheriff's or

trustee's deed or deed in lieu of foreclosure; provided, however, that such First Mortgage foreclosure sale purchaser or grantee shall take subject to all Assessments and the Assessment lien therefore accruing subsequent to the date of issuance of a sheriff's or trustee's deed or deed given in lieu of foreclosure.

5.16 Certificate as to Indebtedness. A certificate executed and acknowledged by any two (2) members of the Board stating the indebtedness secured by the liens upon any Lot shall be conclusive upon the Master Association and the Owner as to the amount of such indebtedness as of the date of the certificate, in favor of all Persons who rely thereon in good faith.

5.17 Cumulative Remedies. The Assessment liens and the rights of foreclosure and sale hereunder shall be in addition to and not in substitution for all other rights and remedies which the Master Association and its assigns may have hereunder and by law, including, a suit to recover a money judgment for unpaid Assessments, as above provided.

ARTICLE 6

EASEMENTS AND THIRD PARTY RIGHTS

6.1 Easements Reserved by Declarant. Declarant hereby reserves the right to utilize the easements provided in this Section 6.1, or reserves the right to grant the easements described in this Section 6.1.

6.1.1 Construction Easements and Related Rights. Declarant hereby reserves for the benefit of Declarant and the Master Association the rights from time to time:

6.1.1.1 To establish easements to permit Declarant to construct, maintain, repair and replace any Improvements necessary or required for the full development of the Project on property owned by Declarant, on the Common Elements and on the Lots as necessary;

6.1.1.2 To establish and use non-exclusive perpetual utility and other easements, leases, permits or licenses on, over, upon, across, above, under and through the Common Elements for uses including, but not limited to, access to structures and signage, mailbox structures, gardens, sprinkler systems and other landscaping changes, Improvements and appurtenances (including without limitation, removal of trees and other vegetation), drainage facilities, monuments; and

6.1.1.3 To grant and create other interests, reservations, exceptions and exclusions for the best interest of the Master Association and for the benefit of any Owner or all Owners, provided that any such action taken and any easement, lease, permit or license, interest, reservation, exception or exclusion established does not unreasonably impair the use of the Common Elements or the building areas of Lots for their respective intended purposes.

6.1.2 Easements for Landscaping. Declarant hereby reserves for itself and the Master Association an easement, across Lots, except the portions thereof occupied by Improvements, and within all Common Elements:

6.1.2.1 To revegetate, beautify or maintain portions of Lots located adjacent to road rights of way;

6.1.2.2 To beautify and maintain portions of Lots to the extent necessary, in Declarant's judgment, to mitigate through landscaping any potential visual act of the Project; and

6.1.2.3 To revegetate disturbed portions of the Property in order to control erosion, to beautify the Property or to restore the Property to a natural condition after damage by natural or man-made causes

This paragraph reserving rights to landscape or revegetate shall not create an obligation on the part of Declarant or the Master Association to landscape or revegetate any portion of the Property. Further, in the event any such landscaping or revegetation is undertaken by Declarant or the Master Association, the Declarant or the Master Association shall not be obligated to guarantee the survival of or to maintain any landscaping or vegetation installed.

6.1.3 Easements for Drainage and Utilities. Declarant hereby reserves for the benefit of all Owners, perpetual non-exclusive storm drainage and public utility easements over all unimproved portions of the Lots and over Common Elements for (i) drainage over, across and upon adjacent unimproved portions of the Lots and Common Elements for water from normal use of adjoining Lots and Common Elements; and (ii) access to, ingress to, egress from, and the installation, replacing, repairing and maintaining of, all utility and service lines and systems, whether public or private, including, but not limited to water, sewer, gas, telephone, electricity, television cable or communication lines and systems, as such utilities are installed in connection with the initial development of Lots and the Improvements thereon. Provided, however, that such storm drainage and public utility easements shall not materially adversely encroach on existing Improvements. Declarant further expressly reserves for the benefit of the Master Association easements of access, ingress and, egress over the Lots and the Common Elements for the purpose of maintaining, repairing and installing water, gas, electric and other utility lines, sewer pipelines and laterals if necessary, in accordance with the provisions of this Master Declaration, and as otherwise provided by law. Notwithstanding such grant of blanket drainage and utility easements, each Owner reserves the right to record an instrument which narrows and limits such grant of utility easement to the normal easement width of the utility in those specific areas of the Lot which actually contain the utility facilities as described in such instrument and for the purposes described therein. Such reserved right is subject to the utility companies' rights then located under the Property described in this Master Declaration. Notwithstanding the forgoing, in the event the utility lines impact, serve or cover two or more Lots, then the Declarant prior to the Change in Control Date, and thereafter the Master Association, must approve in writing the forgoing instrument executed by the Owner, which approval

must be evidenced on such instrument prior to recordation thereof or commencement of construction of utility lines on the applicable Lot.

6.1.4 Easements for Offices. Declarant hereby reserves the right to maintain sales offices, management offices, signs advertising the Project, and models in any areas of the Project owned by Declarant or a Declarant Affiliate. Declarant may relocate sales offices, management offices and models to other locations within the Project at any time, in its sole and exclusive discretion. Subject to the Declarant's or the Design Review Committee's written approval as set forth in Section 2.10 above, as to the location of offices or models on the Lot, each Owner shall have the right to maintain sales offices, management offices and signs advertising any project located on such Lot owned by the Owner.

6.1.5 Communication Easements. Declarant reserves the exclusive right to provide or contract to provide and hold fee title to, in its sole and exclusive subjective discretion, all security systems and monitoring services, satellite, and cable television facilities, antennas (including dish-antenna) and services, conduits, equipment, pipes, cables, lines, other telecommunications or communications systems and access to communications programming within the Project, including Internet access via cable or telephone facilities, other audio or video program services, and other telecommunications or communications devices (collectively "Communication Facilities"). Declarant hereby exclusively reserves easements for itself, any Declarant Affiliate and their assignees in, upon, over across, and through the Property to construct, install, operate, maintain, repair and replace all types of the Communication Facilities within or on suitable locations for such Facilities within the Project. Declarant further reserves a right of access to the Communications Facilities over, across, and through all other real property and Common Elements of the Project in order to access the Communication Facilities to exercise the rights established herein. Provided, however, such easements as described in this Section shall not unreasonably interfere with the use and enjoyment by the Owners of, or ingress to or egress from or access to, their Lots, Buildings or Improvements or the Common Elements. Declarant may transfer by easement, license agreement or other conveyance the rights reserved hereunder to one or more Communication Facilities providers. Declarant may exercise all of the rights under this Section 6.1.5 without the consent of any Owner, Mortgagee or the Master Association or the Design Review Committee.

6.1.5.1 No Warranties. Declarant may, but shall not be obligated to, maintain or support the Communication Facilities. Neither the Declarant, nor any Declarant Affiliate, shall in any way be considered insurers or guarantors of the quality or provisions of services in connection with the Communications Facilities, however, and neither the Declarant, nor any Declarant Affiliate, shall be held liable for any loss or damage by reason of failure to provide adequate communication services or the ineffectiveness of any communication service offered. All Owners and their tenants, licensees, guests and invitees acknowledge that the Declarant, and Declarant Affiliates, do not represent or warrant that any communication system designed by or installed according to a service provider's request may not be compromised or circumvented, that any communication services will have unlimited power sources to prevent interruption of services, or

otherwise, nor that communication systems will in all cases provide the type of service for which the system is designed or intended. Each Owner and its tenants, licensees, guests or invitee acknowledges and understands that the Declarant and Declarant Affiliates are not insurers and that each such Person assumes all risks for loss or damage to Persons or property within the Project in connection with utilizing any communication service, and further acknowledges that Declarant and all Declarant Affiliates have not made representations or warranties nor has any Owner or its tenant, licensee, guest or invitee relied upon any representations or warranties, expressed or implied, including any warranty of merchantability or fitness for any particular purpose, relative to the Communication Facilities or any communication system recommended or installed or any communication measures undertaken within the Project.

6.1.5.2 Additional Agreements. The Master Association and every Owner hereby agree and acknowledge that they will execute such further and additional instruments as may be reasonably requested by Declarant documenting the rights hereunder, in form satisfactory to the Declarant, and any assignee of its rights hereunder. Moreover, the Master Association and every Owner shall ensure that its subscription agreement or other service agreement with its communications provider specifically state that Declarant: (i) is not a service provider; (ii) is not related in any way to the communications provider; (iii) shall not have responsibility or liability with respect to the provision, maintenance, failure or quality of any communications service provided by such communications provider; and (iv) shall not be liable for any interruption of or failure of utilities to the communications services. Any or all of Declarant's limitation on its liability in connection with the Communication Facilities and the quality of communications offered at the Project as described in this Section 6.1.5 shall be deemed to be in full force and effect upon recordation of this Master Declaration whether or not referred to, described and/or incorporated in any subscribing agreement or other service agreement with a communications provider.

6.2 Easements for Benefit of Master Association. Declarant hereby grants to the Master Association, its licensees, invitees, lessees, successors and assigns, a non-exclusive, perpetual easement on, over, upon, across, above, under and through the Property and each portion thereof to (i) install, maintain and repair Improvements located on the Common Elements; (ii) exercise any right held by the Master Association under this Master Declaration or any other association documents, and (iii) perform any obligation imposed upon the Master Association by this Master Declaration or any other association documents. Notwithstanding the foregoing, the Master Association shall not enter upon any Lot, Building or Improvement without reasonable prior notice to the Owner of the Lot, excepting cases of emergency.

6.3 Easements Deemed Granted by Owners. It is essential to the master development plans for the Project that the general public and all Owners within the Project, their successors and assigns, and all of their members, tenants, subtenants, guests, invitees, licensees, patrons, customers, concessionaires, agents, employees and contractors (collectively referred to as the "Permittees") have the right to access and utilize the parking spaces in all parking areas located

or to be located on the Property ("Parking Areas"). By accepting a deed to a Lot, or a portion thereof or an interest therein, each Owner hereby grants and conveys to each other Owner, for use by them and each of their Permittees, the following parking and access easements:

6.3.1 Easements for Parking. Each Owner hereby grants and conveys to each other Owner, for use by them and each of their Permittees, a reciprocal, perpetual non-exclusive easement to utilize the parking spaces located in the Parking Areas, together with certain ingress and egress rights in and to the Property, and certain parking Improvements thereon. Such parking easement shall be forever appurtenant to the Property, for the use and benefit of the Owners and each of their Permittees. Each Owner shall cause each of its Permittees to comply with the parking restrictions as may be set forth in this Master Declaration, a Supplemental Declaration or Plat, and all Master Rules governing parking within the Project as may be promulgated by the Board from time to time. Each Owner and each of its Permittees shall have a nonexclusive right to use, occupy and enjoy such parking spaces located in the Parking Areas on a first come first serve basis. Subject to the design review and development approval rights set forth in this Master Declaration, each Owner reserves the right, in its sole and exclusive discretion, to expand, contract, reconstruct, relocate or otherwise modify the Parking Areas located on such Owner's Lot at any time in the future without the consent of any Owner or Permittee, so long as such expansion or other modification shall comply with the provisions of this Master Declaration. Provided, however, that each Owner guarantees that there shall be sufficient parking spaces in the Parking Areas to satisfy all applicable City ordinances, zoning laws and governmental agency requirements in connection with the development and operation of the Project.

6.3.2 Easements for Pedestrian and Vehicular Access. Each Owner hereby grants and conveys to each other Owner, for use by them and by each of their Permittees, a reciprocal, perpetual non-exclusive easement to, from, upon, over, and across all of the vehicular passageways, driveways, driving lanes, turn-arounds, sidewalks and walkways currently, and from time to time, located on such Owner's Lot for vehicular ingress and egress from each of the Lots and the private and public roads, as appropriate, to each of the other Lots and public and private roads, as appropriate. This vehicular and pedestrian access easement shall not prohibit the right of any Owner to reconfigure or construct vehicular passageways, driveways, driving lanes, turn-arounds, sidewalks and walkways so long as any such action does not unreasonably prevent the passage by pedestrians, automobiles and service and delivery vehicles between each of the Lots to each of the other Lots, and to the public and private roads, as appropriate. Each Owner further agrees that they will take no action that would materially impede access to, from, upon, over and across this vehicular and pedestrian access easement, except for temporary disruptions for repairs, replacements, reconfigurations, casualty and other causes beyond their respective control. Such repairs or replacements shall be done in a manner which attempts to minimize, to the extent reasonably possible, the interference with the use of such vehicular and pedestrian access easement.

6.4 Other Easements. The Property shall be subject to the following easements in addition to those created in this Master Declaration.

6.4.1 Easements on Plats and of Record. The Property shall be subject to all easements shown on the Master Plat, such other Plat, and to all easements of record.

6.4.2 Easements for Municipal and County Public Service Use. Declarant hereby reserves the right to grant, for the benefit of all future Members and Owners within the Project, easements for city, county, state and federal public services, and for public utilities, including but not limited to, the right of the police to enter upon any part of the Common Elements for the purpose of enforcing the law.

6.4.3 Generally. Declarant also reserves any other easements referred to on any Plat as reserved by Declarant or for the benefit of the Master Association or for the use and enjoyment of the Members or Owners.

6.5 Nature of and Creation of Easements. Unless otherwise set forth herein, any easement reserved in this Master Declaration shall be deemed to be non-exclusive, and each easement in favor of an Owner shall be deemed to be appurtenant to and for the benefit of the Lot owned by such Owner. Any and all easements reserved in this Master Declaration shall be deemed to be in full force and effect upon recordation of this Master Declaration whether or not referred to, reserved and/or granted in any instrument of conveyance. All easements described in this Master Declaration may be used by Declarant, its successors, and the Master Association for such purposes reasonably necessary for the use and enjoyment of the Lots, Buildings, Improvements and the Common Elements.

6.6 Third Party Access Rights. The owners of the Additional Land shall have such easements for access and other purposes as are generally reflected on the Master Plat.

6.7 Easements for Encroachments. If any part of a Building or Improvement built in substantial accord with the boundaries for such Building or Improvement as approved by the Design Review Committee encroaches or shall encroach upon the Common Elements in a minor way as determined by the Board in its sole and exclusive discretion, or upon an adjoining Lot or Improvement, an easement for such encroachment benefiting the encroaching party and for the maintenance of the same by the encroaching party shall and does exist. Any such maintenance shall comply with standards applicable to maintenance of the Common Elements. If any part of the Common Elements built in substantial accord with the boundaries for such Common Element as approved by the Design Review Committee encroaches or shall encroach upon a Lot or Improvement in a minor way as determined by the Board in its sole and exclusive discretion, an easement for such encroachment benefiting the encroaching party and for the maintenance of the same by the encroaching party shall and does exist. Any such maintenance shall comply with standards applicable to maintenance of the Common Elements. It is anticipated that the footings, foundation, sheer walls and similar construction elements of the Parking Structure and such other Improvements constructed on Lot 1 will encroach on Lot 2 and other adjacent property, including the Additional Land boundary immediately adjacent to the Parking Structure. Each and every Owner adjacent to Lot 1, specifically including, without limitation, the Owner of Lot 2, hereby consents to and acknowledges such encroachments and there is hereby created an easement for such encroachments benefiting the Owner of Lot 1 and for the maintenance of the same.

ARTICLE 7

OWNERS' PROPERTY RIGHTS AND OBLIGATIONS

7.1 Owners' Easements of Enjoyment. Every Owner and the Owner's guests, invitees, tenants and licensees shall have a non-exclusive right and easement of ingress and egress and of enjoyment, to and over, the Common Elements which right and easement shall be appurtenant to, and shall pass with, title of said Owner's Lot, Building or Improvement, subject to the following provisions:

7.1.1 the right of the Master Association to establish Master Rules pertaining to the use of the Common Elements and any facilities thereon;

7.1.2 the rights of third Persons under easements and instruments of record;
and

7.1.3 the Parking Structure Rights.

7.2 Maintenance Obligations of Owners; Project Maintenance Standard. Each Owner shall have the duty, at the Owner's sole cost and expense, subject to the provisions of this Master Declaration, to maintain, repair, replace, and restore the Lot, and all Buildings and Improvements constructed thereon, including without limitation all parking Improvements, in a neat, sanitary and attractive condition so as not to detract from the appearance of the Project and so as not to materially adversely affect the value or use of any other Building, Improvement or Lot. In the event that any Owner shall permit any portion of any Lot, Building or Improvement which it is the responsibility of such Owner to maintain to (i) fall into disrepair; (ii) to present a public or private nuisance; (iii) substantially detract from the appearance or quality of the surrounding Lots or other areas of the Project which are substantially affected thereby or related thereto; or (iv) to create a dangerous, unsafe, unsightly or unattractive condition, or in the event the Owner is failing to perform any of its obligations under the Governing Documents and standards of the Design Review Committee, the Board shall have the right, but not the duty, upon fourteen (14) days' prior written notice to the Owner of such Lot, Building or Improvement, to correct such condition and to enter upon such Lot, Building or Improvement to make such repairs or to perform such maintenance, and the cost thereof shall be charged to the Owner. Said cost shall be a Maintenance Charge and shall create a lien enforceable in the same manner as other Assessments as set forth in this Master Declaration. In addition, as also described in Section 3.4.3.2 above, in the event of a safety, fire, hazard or other similar emergency, as reasonably determined by the Board, the Board shall have the right, but not the duty, to immediately enter upon the Lot, Building or Improvement to make such repairs, to perform such work or to take such action necessary to cure or abate such emergency condition.

ARTICLE 8

DESIGN CONTROL

8.1 Purpose. The Design Review Committee shall review, study and either approve, reject or request resubmittal of proposed developments and improvements to a Lot, Building or Improvement, all in compliance with this Master Declaration and as further set forth in the rules

and regulations of the Design Review Committee and the Design Guidelines. Each Owner shall demonstrate to the Design Review Committee that the Declarant has approved its Supplemental Declaration and Plat and that such items comply with the Design Guidelines. The Design Review Committee reserves the right, but not the obligation, to promulgate, enforce and interpret the Design Guidelines.

8.2 Membership. The Design Review Committee shall be composed of individuals or entities as the Declarant may determine in its sole and exclusive discretion, which need not be representatives of Owners. Unless Declarant determines otherwise, so long as the Declarant owns any Property within the Project, the Design Review Committee shall consist of two (2) regular members and one (1) alternate member, each of whom shall be appointed, removed and replaced by, and serve at the pleasure of the Declarant in its sole and exclusive discretion. At such time as the Declarant no longer owns any Property within the Project, the Design Review Committee shall consist of such number of regular and alternate members as the Board may deem appropriate from time to time (but in no event less than three (3) nor more than seven (7) regular members, nor less than one (1) nor more than three (3) alternate members), each of whom shall be appointed by, and serve at the pleasure of, the Board. The Declarant may at any time voluntarily surrender in writing its right, as the Declarant, to appoint and remove the members of the Design Review Committee pursuant to this Section. In the event Declarant voluntarily surrenders such right, for so long as the Declarant owns any Property within the Project, Declarant reserves the right to require that specified actions of the Design Review Committee be approved by Declarant before they become effective, as described in a recorded instrument executed by Declarant.

8.3 Organization and Operation of the Design Review Committee.

8.3.1 The term of office of each member of the Design Review Committee shall be three (3) years, commencing January 1 of each year, and continuing until his or her successor is appointed, which terms shall be staggered as determined by the Board. Should a Design Review Committee member die, retire, become incapacitated, or in the event of a temporary absence of a member, a successor may be appointed as provided in Section 8.2 above. The Declarant may remove any member of the Design Review Committee at any time for any cause without notice.

8.3.2 So long as Declarant owns any Property within the Project, the Declarant shall appoint the chairperson of the Design Review Committee. Thereafter, the Board shall appoint the Design Review Committee and the chairperson shall be elected annually from among the members of the Design Review Committee by majority vote of said members.

8.3.3 The chairperson shall take charge of and conduct all meetings and shall provide for reasonable notice to each member of the Design Review Committee prior to any meeting. The notice shall set forth the time and place of the meeting, and notice may be waived by any member. In the absence of a chairperson, the party responsible for appointing or electing the chairperson may appoint or elect a successor, or if the absence is temporary, a temporary successor.

8.3.4 The affirmative vote of a majority of the members of the Design Review Committee shall govern its actions and be the act of the Design Review Committee. A quorum shall consist of a majority of the members.

8.3.5 The Design Review Committee may avail itself of technical and professional advice and consultants as it deems appropriate.

8.4 Expenses. The Master Association shall pay all expenses of the Design Review Committee, subject to the Declarant's or the Master Association's right to charge a design review fee to defray such expenses as provided for in Section 8.6 below.

8.5 Approval by Declarant or Design Review Committee. No Improvements of any kind shall ever be erected, altered, or permitted to remain on any lands within the Property nor shall any excavating, clearing, removal of trees or shrubs, landscaping or other alteration of existing site conditions be done on, any lands within the Property, unless complete Plans and Specifications therefore complying with Design Guidelines requirements are approved by the Declarant or the Design Review Committee prior to the commencement of such work in its sole and exclusive discretion. In the event of a conflict between the Design Guidelines and the applicable regulations or ordinances of the Municipal Authority, the latter shall prevail. In the event Plans and Specifications submitted to the Declarant or Design Review Committee are disapproved or deemed disapproved, the Owner may appeal such disapproval or deemed disapproval in writing to the Board as further described in the Bylaws.

8.6 Fee. The Design Review Committee may charge such fee or fees for its review of Plans and Specifications as shall be determined from time to time by the Board or as provided in the Design Guidelines. Such fee or fees shall be in relation to the work performed and shall be applied uniformly. Such fee or fees may include any and all costs incurred by the Design Review Committee to facilitate its complete review of the Plans and Specification, including, without limitation, all fees, costs and expenses of technical and professional advice and consultants, such as architects, engineers and attorneys, and all copying costs.

8.7 Design Guidelines. The Design Review Committee shall adopt, establish, and publish from time to time the Design Guidelines. The Design Guidelines shall define and describe the design standards for the Project and the various uses within the Project and shall not contradict the purposes expressed in this Master Declaration. The Design Guidelines may be modified or amended from time to time by the Design Review Committee. The Design Guidelines shall be established solely by the Design Review Committee and the Declarant. The Design Guidelines shall not be subject to modification or amendment by the Members.

8.8 Inspection by Design Review Committee. The Design Review Committee shall have the authority and right at any time and from time to time at any reasonable hour to inspect Improvements under construction for the purpose of determining whether the same comply in all respects with the applicable Plans and Specifications as approved by it, but it shall have no duty to make such inspections.

8.9 Variances. The Design Review Committee, in its sole discretion, may excuse compliance with such Design Guidelines as are not necessary or appropriate in specific situations and may permit compliance with different or alternative requirements. An affirmative vote of

two-thirds (2/3) of the members of the Design Review Committee must be obtained for a variance to be granted. The Design Review Committee does not, however, have authority to allow deviation from the requirements of the land management code or uniform building code of the Municipal Authority having jurisdiction.

8.10 General Requirements. The Design Review Committee shall exercise its best judgment: to see that all Improvements, construction, landscaping, and alterations on the lands within the Project conform and harmonize with existing structures as to external design, materials, color, siting, height, topography, grade and finished grade elevation in keeping with the Design Guidelines, this Master Declaration and any applicable Supplemental Declaration.

8.11 Ultimate Responsibility. Each Owner shall at all times conform and comply with all approved Plan and Specifications for the Improvements on its Lot, and otherwise conform and comply in all respects with the Design Guidelines, this Master Declaration, and all applicable laws, ordinances, building codes, rules, regulations, orders and the like of the Municipal Authority. Each Owner is responsible for obtaining all approvals, licenses, and permits as may be required prior to obtaining approval of any Improvements from the Design Review Committee and prior to commencing construction.

8.12 Written Records. The Design Review Committee shall keep and safeguard complete written records of all applications for approval submitted to it (including one set: of all Plans and Specifications so submitted) and of all actions of approval or disapproval and all other actions taken by it under the provisions of this instrument which records shall be maintained for a minimum of five years after approval or disapproval at the Master Association's principal place of business as set forth in the Bylaws.

8.13 Non-Liability of Design Review Committee Members. Neither Declarant, the Design Review Committee, any member thereof, nor any duly authorized representative thereof shall be liable to the Master Association or to any Owner for any loss, damage or injury arising out of or in any way connected with the performance of the Design Review Committee's duties hereunder unless due to the willful misconduct or bad faith of the Design Review Committee. The Design Review Committee shall review and approve or disapprove all plans submitted to it for any proposed Improvement, alteration or addition, solely on the basis of compliance with the Design Guidelines, this Master Declaration, any applicable Supplemental Declaration, aesthetic considerations, and the overall benefit or detriment which would result to the immediate vicinity and the Project generally. The Design Review Committee shall take into consideration the aesthetic aspects of the design, placement of buildings, landscaping, color schemes, exterior finishes and materials and similar features, but shall not be responsible for reviewing, nor shall its approval of any plan or design be deemed approval of, any plan or design from the standpoint of structural safety or conformance with building or other codes. This clause shall be inapplicable to the extent necessary if any, to actually obtain insurance coverage required by Article 10.

8.14 Variance in Exterior Appearance and Design in Event of Reconstruction. Any Owner whose Lot, Building or Improvement has suffered damage may apply for approval to the Design Review Committee for reconstruction, rebuilding or repair of the Owner's Lot, Building or Improvement in a manner that will provide for an exterior appearance and design different from that which existed prior to the date of the casualty. Application for such approval shall be

made in writing together with full and complete Plans and Specifications showing the proposed reconstruction and the end result thereof. The Design Review Committee shall grant such approval only if the design proposed by the Owner would result in a finished structure in compliance with the then applicable Design Guidelines.

ARTICLE 9

RESTRICTIONS ON ALL PROPERTY

9.1 Zoning Regulations. No lands within the Property shall ever be occupied or used by or for any building or purpose or in any manner which is contrary to this Master Declaration, the zoning regulations applicable thereto validly in force from time to time, or the Governing Documents.

9.2 Architectural Control. All Improvements (whether temporary or permanent), alterations, repairs, excavation, grading, landscaping or other work which in any way alters the exterior appearance of any Lot, Building or Improvement must comply with the Design Guidelines and are subject to the prior written approval of Declarant or the Design Review Committee. No changes or deviations in or from the plans and specifications once approved by Declarant or the Design Review Committee shall be made without the prior written approval of Declarant or the Design Review Committee.

9.3 No Mining, Drilling or Quarrying. No Owner shall conduct mining, quarrying, tunneling, excavating or drilling for any substances within the earth, including oil, gas, minerals, gravel, sand, rock, and earth, on the surface of the Property.

9.4 Residential Uses. Notwithstanding Declarant's intention to develop the Project as a mixed-used Commercial development that will contain a mixture of Commercial projects, Commercial Lots and recreational uses, Declarant reserves the unilateral right to permit certain Lots within the Project to be used for residential purposes, as it shall determine in its sole and exclusive discretion, without obtaining the prior approval or consent of the Master Association, or any Owner or any other third party. For purposes of this Master Declaration, residential purposes means any type of development within the Project intended for use and occupancy as a residence, or for overnight or longer residential accommodations not developed as Commercial Improvements, such as single-family and multi-family residences.

9.5 Restriction of Signs. No signs or advertising devices, including, without limitation, commercial, political, informational or directional signs or devices, shall be erected or maintained on any of the Lots, Buildings or Improvements, except signs approved in writing by Declarant or the Design Review Committee in accordance with the Design Guidelines as to size, materials, color and location, or except: (a) to advise of Master Rules or other controlling rules and regulations; (b) to caution or warn of danger; (c) as required by the City in its approval of subsequent developments; and (d) as required by law. Any approved signs shall be located as approved by Declarant or the Design Review Committee. Declarant or the Design Review Committee may develop comprehensive sign regulations.

9.6 No Animals. No animals may be kept or allowed to remain on any Lot, Building or Improvement, unless otherwise approved by the Board in writing.

9.7 Underground Utility Lines. All new water, gas, electrical, telephone, and other permanent utility lines within the limits of the Property must be buried underground and may not be exposed above the surface of the ground. Notwithstanding the forgoing, certain ancillary utility improvements such as meter readers, electrical boxes and service facilities may be constructed above ground as Declarant or an Owner and the appropriate utility service provider may reasonably determine.

9.8 Service Yards. During construction, all equipment, service yards or storage piles on any Lot shall be kept screened by approved planting or fencing so as to conceal them from the view of neighboring Lots, access roads and area surrounding the Property. Declarant or the Design Review Committee in accordance with any applicable provision of the Design Guidelines shall approve the service yards in advance.

9.9 Maintenance of Property. All Lots, Buildings and Improvements shall be kept and maintained by the Owner thereof in clean, safe, attractive and slightly condition and in good repair.

9.10 No Noxious or Offensive Activity. No noxious or offensive activity shall be carried on upon any Lot nor shall anything be done or placed on any Lot that is or may become a nuisance or cause significant embarrassment, disturbance or annoyance to others.

9.11 No Hazardous Activities. No activities shall be conducted on any Lot, and no Buildings or Improvements may be constructed on any Lot, that are or might be unsafe or hazardous to any person or property. Without limiting the generality of the foregoing, no firearms shall be discharged upon the Property and no open fires shall be lighted or permitted on the Property except within a safe and well-designed interior fireplace.

9.12 No Unsightliness. No unsightliness shall be permitted upon any of the Property. Without limiting the generality of the foregoing, (a) any unsightly structures, facilities, equipment, tools, vehicles other than automobiles, objects, and conditions shall be enclosed within an approved building or appropriately screened from view, except equipment and tools when in actual use for construction, maintenance or repairs, excepting boats (and their trailers) which may be parked in private driveways subject to any rules or regulations promulgated by the Board regarding the same; (b) no trailers, mobile homes, tractors, truck campers or trucks other than pickup trucks shall be kept or permitted to remain upon the Property; (c) no vehicle or equipment shall be constructed, reconstructed, repaired or abandoned upon the Property; (d) no lumber, grass, shrub or tree clippings, plant waste, metals, bulk materials, or scrap shall be kept, stored or allowed to accumulate on the Property, except in approval service yards meeting the requirements of Section 9.8 and any requirements of the Design Guidelines and Declarant or the Design Review Committee; and (e) refuse, garbage and trash shall be placed and kept at all times in a covered container and such container shall be kept within an enclosed structure or appropriately screened from view.

9.13 No Annoying Lights, Sounds or Odors. Except for customary lights, sounds or odors emitted from entertainment or retail Improvements such as movie theaters, entertainment venues, restaurants or other Commercial Improvements as approved by the Design Review Committee, no light shall be emitted from any Lot which is unreasonably bright or causes unreasonable glare or does not comply with the Master Rules or Design Guidelines; no sound

shall be emitted from any Lot which is unreasonably loud or annoying including but without limitation, speakers, horns, whistles, bells or other sound devices, except security and fire alarm devices used exclusively to protect the Property or Improvements thereon; and no odors shall be emitted from any Lot which are noxious or offensive to others.

9.14 No Cesspools or Septic Tanks. No cesspools or septic tanks shall be permitted on the Property. Any other type of sewage disposal system shall be installed only after approval by Declarant or the Design Review Committee and the Municipal Authority.

9.15 Master Rules. No Owner shall violate the Master Rules adopted from time to time by the Master Association. No such rules shall be established which violate the intention or provisions of this Master Declaration or which shall unreasonably restrict the use of any Lot by the Owner thereof.

9.16 Parking. Parking of vehicles shall be allowed only in parking areas approved by Declarant or the Design Review Committee.

9.17 Antennas and Satellite Dishes. Except as otherwise permitted by law, antennas and satellite dishes are prohibited at the Project, unless Declarant or the Design Review Committee specifically approves such antennas or satellite dishes.

9.18 No Fences. No fences, walls, or other barriers shall be permitted for the purpose of enclosing or demarcating any property line boundaries without the prior written approval of Declarant or the Design Review Committee, which approval may be withheld in the Declarant's or the Design Review Committee's sole and exclusive discretion.

9.19 Excavations. Except for excavations made in the exercise of reserved mining rights, no excavation shall be made on lands subject to any Plat without the approval of Declarant or the Design Review Committee and the City.

9.20 Temporary Occupancy and Temporary Buildings. No trailer, basement of any incomplete building, tent, shack, garage or barn, and no temporary Improvements or structures of any kind, shall be used at any time for a business, either temporary or permanent. However, Declarant or the Design Review Committee may approve temporary Improvements for use during the construction of any structure on any Lot, but such temporary Improvements shall be removed immediately after the completion of construction.

9.21 Installation of Landscaping. The Owner of a Lot shall install (if not already installed) grass, trees, plants and other landscaping Improvements (together with an irrigation system sufficient to adequately water any grass, trees, plants and other landscaping improvements), on all portions of the Lot that require landscaping, in accordance with the Plans and Specifications approved in writing by Declarant or the Design Review Committee for that Lot, not later than a date established by the Declarant as part of the Design Review Committee review and approval process. If landscaping and an irrigation system are not installed on a Lot in the manner and by the applicable date provided for in this Section, the Board shall have the right, but not the obligation, to enter upon such Lot to install such landscaping Improvements as the Board deems appropriate in accordance with the approved Plans and Specifications for such Lot (together with an irrigation system sufficient to adequately water the same), and the cost of any

such installation shall be paid to the Master Association by the Owner of the Lot upon demand from the Master Association. Any amounts payable by an Owner of a Lot to the Master Association pursuant to this Section shall be the personal obligation of such Owner, and the Master Association may enforce collection of such amounts in the same manner and to the same extent as the collection and enforcement of Assessments.

9.22 Construction. The following provisions shall apply to any construction, renovation, maintenance or other work authorized by the terms of this Master Declaration and performed by Persons upon the Lot, Building or Improvement of another:

9.22.1 Once commenced, the work shall be diligently prosecuted to completion.

9.22.2 All work shall be performed in a good and workerlike manner, shall minimize any inconvenience to the operations conducted by the Owner of the burdened Lot, Building or Improvement, and shall comply with all applicable laws, ordinances and regulations.

9.22.3 If, as a result of any work, any part of the impacted property is altered or disturbed (other than any area to be permanently altered as a result of such work) the disturbed area shall be promptly restored to as near its original condition as possible.

9.22.4 All work in excess of \$100,000 shall be started only after reasonable advance written notice to the Declarant, or after the Declarant Control Period to the Master Association, and shall be performed at reasonable times and shall be done in a manner so as to minimize disruption to the use and operation of the impacted property, including the performance of work off-season or off-hours, if appropriate.

9.22.5 The Person performing the work shall indemnify, defend, and hold harmless the Owner on whose Lot, Building or Improvement work is being performed, from any loss or damage to persons or property, and from any expenses associated with any claims arising from any such loss or damage which is related to the performance of the work.

9.23 Construction Period Exception. During the course of actual construction of any permitted Improvements on any Lot, Declarant or the Design Review Committee may, by written instrument, waive certain provisions contained in this Article 9 to the extent necessary to permit such construction, provided that, during the course of such construction, nothing is done that will result in a violation of any of such provisions upon completion of construction.

9.24 Compliance With the Law. No Lot, Building or Improvement shall be used, occupied, altered, changed, improved, or repaired except in compliance with all present and future laws, rules, requirements, orders, directions, ordinances, and regulations of the United States of America, the State of Utah, and the Municipal Authority governing the Project.

9.25 Plant Diseases and Noxious Insects. No Owner, tenant or occupant shall permit any thing or condition to exist upon any Lot, Building or Improvement which shall induce, breed or harbor infectious plant diseases or noxious insects.

9.26 Trash Containers and Collection. No garbage or trash shall be placed or kept on any Lot, Building or Improvement, except in covered containers of a type, size and style which are approved by Declarant or the Design Review Committee or required by the Municipal Authority with jurisdiction over the Project. In no event shall such containers be maintained so as to be visible from neighboring Lots except to make the same available for collection. All rubbish, trash and garbage shall be removed from the Lots and shall not be allowed to accumulate thereon. No outdoor incinerators shall be kept or maintained on any Lot.

9.27 Declarant's Exemption. Nothing contained in this Master Declaration shall be construed to prevent the construction, installation or maintenance by Declarant, any Declarant Affiliate, or any agents or contractors thereof, during the period of development, construction and sales of the Property or Improvements deemed necessary or convenient by the Declarant, in its sole and exclusive discretion, or the development or sale of the Property. In addition, the use restrictions contained in this Article 9 shall not apply to any activity conducted by an Owner approved in writing by Declarant with respect to its development and sale of the Lots that it owns within the Project.

ARTICLE 10

INSURANCE

10.1 Common Elements. The Master Association shall maintain fire and extended coverage insurance for no less than one hundred percent (100%) of the maximum insurable value of insurable Improvements on the Common Elements. The insurance coverage shall name as the insured the Master Association for the benefit of the Members and the Owners. Premiums for all insurance carried by the Master Association are Common Expenses and shall be included in the Common Assessment made by the Master Association.

10.2 Fidelity Coverage. The Master Association shall maintain fidelity coverage against dishonest acts on the part of Managers, trustees, employees or volunteers responsible for handling funds collected and held for the benefit of the Members. The fidelity bond or insurance must name the Master Association as the named insured and shall be written in an amount sufficient to provide protection which is in no event less than one and one-half times the Master Association's estimated annual operating expenses and total reserves. In connection with such coverage, an appropriate endorsement to the policy to cover any persons who serve without compensation shall be added if the policy would not otherwise cover volunteers.

10.3 Waiver of Subrogation. The Master Association hereby waives and releases all claims against the Board, the Members, the Owners, the Declarant, and the agents and employees of each of the foregoing, with respect to any loss covered by such insurance, whether or not caused by negligence of or breach of any agreement by said persons, but only to the extent that insurance proceeds are received in compensation for such loss.

10.4 Liability Insurance. The Master Association shall maintain a comprehensive policy of public liability insurance covering all of the Common Elements. Such insurance policy shall contain a "severability of interest" clause or endorsement that shall preclude the insurer from denying the claim of a Member because of negligent acts of the Master Association or other

Members. Coverage shall have limits of liability of not less than \$2,000,000 per occurrence for personal injury and/or property damage.

10.5 Other Insurance and General. The Master Association shall also maintain Worker's Compensation Insurance as required by law and may maintain other liability insurance as it may deem desirable, insuring each Member and the Master Association, Board and any Manager, from liability in connection with the Common Elements, the premiums for which are Common Expenses included in, the Common Assessments made against the Members. Such insurance policies shall have severability of interest clauses or endorsements that shall preclude the insurer from denying the claim of a Member because of the negligent acts of the Master Association or other Members.

10.6 Decision Not to Rebuild. If Members representing at least sixty-seven percent (67%) of the Total Votes of the Master Association and fifty-one percent (51%) of the Eligible Mortgagees (based upon one vote for each Eligible Mortgage owned) of the Lots vote not to repair and reconstruct and no alternative Improvements are authorized, then and in that event the affected portion of the Common Elements shall be restored to their natural state and maintained as an undeveloped portion of the Common Elements by the Master Association in a neat and attractive condition, and any remaining insurance proceeds shall be distributed to Members in proportion to their respective Assessment Units, first to the Mortgagees and then to the Members.

ARTICLE 11

ENFORCEMENT

11.1 Remedies and Enforcement. Declarant, the Master Association and any Owner shall have the right to enforce this Master Declaration, the Design Guidelines and the Articles and Bylaws by appropriate proceedings at law or in equity, including the right to enjoin any violation hereof or thereof; provided, however, that the Master Association shall have the exclusive right to enforce the liens and remedies provided herein with respect to the levy, collection, and enforcement of liens for Assessments.

11.2 Attorneys Fees and Costs. Any judgment, rendered in any action or proceeding to enforce the Governing Documents shall include a sum for attorneys' fees in an amount as the court may deem reasonable, in favor of the prevailing party, as well as the amount of any delinquent payment, interest thereon, costs of collection and court costs.

11.3 Nuisance. Any act or omission resulting in a breach of the Governing Documents is hereby declared to be and constitute a nuisance, and every remedy allowed by law or equity against a nuisance either public or private shall be applicable against every such act or omission and may be exercised by Declarant, the Master Association or any Owner.

11.4 Cumulative Remedies. All rights, options, and remedies of Declarant, the Master Association or any Owner for the enforcement of the Governing Documents shall be deemed cumulative and none of such rights, options, or remedies shall be deemed exclusive.

11.5 Waiver. The failure to enforce any of the covenants contained in the Governing Documents shall not constitute a waiver of the right to enforce the same thereafter.

11.6 Personal Covenant. To the extent the acceptance of a conveyance of a Lot creates a personal covenant between the Owner of such Lot, other Owners, or the Master Association, such personal covenant shall terminate and be of no further force or effect from and after the date such Owner ceases to be the Owner of such Lot except for the payment of monies which came due to the Master Association during the period of such ownership.

11.7 Indemnification. The noncompliant Owner whose Lot, Building or Improvement is in violation of the use restrictions and covenants described in this Master Declaration, shall indemnify the Master Association, or Declarant or Declarant Affiliate, or its agents or employees, from any loss or damage to persons or property, and from any expenses associated with any claims arising from any such loss or damage which is related to the performance of the work to bring such Lot, Building or Improvement into compliance with this Master Declaration.

ARTICLE 12

MORTGAGE PROTECTION CLAUSE

12.1 Mortgage Protection. The Board shall maintain a roster containing the name and address of each Eligible Mortgagee as such term is defined herein and in Section 1.40 above. To be considered an Eligible Mortgagee, a First Mortgagee shall provide the Board with a certified copy of its recorded First Mortgage and the name and address of the First Mortgagee and a statement that the Mortgage is a First Mortgage together with a written request that it receive notice of the matters and actions described below. The Eligible Mortgagee shall be stricken from the roster upon request by such Eligible Mortgagee or upon receipt by the Board of a certified copy of a recorded full release or satisfaction of the Eligible Mortgage. Notice of such removal shall be given to the Eligible Mortgagee unless the Eligible Mortgagee requests the removal. Upon the Master Association's receipt of such written request, an Eligible Mortgagee shall be entitled to timely written notice of:

12.1.1 Any condemnation loss or any casualty loss which materially affects a significant portion of the Project or the Common Elements on which there is a Mortgage held, insured or guaranteed by such Mortgagee, insurer or governmental guarantor;

12.1.2 Any delinquency in the payment of Assessments or charges owed by an Owner whose Lot is subject to a Mortgage held, insured or guaranteed by such Mortgagee, insurer or governmental guarantor, which default remains uncured for a period of sixty (60) days; and

12.1.3 Any lapse, cancellation or material modification of any insurance policy or fidelity bond or insurance maintained by the Master Association.

12.1.4 Any default by an Owner of such Lot in the performance of such Owner's obligations under this Master Declaration, the Articles, or the Bylaws, which default is not cured within sixty (60) days.

12.2 Subordination of Lien. The Assessment or claim against a Lot, or part thereof or interest therein, for unpaid Assessments or charges levied by the Master Association pursuant to this Master Declaration shall be subordinate to the First Mortgage affecting such Lot, or part

thercof or interest therein, and the First Mortgagee thereunder which comes into possession of or which obtains title to such Lot, or part thereof or interest therein, shall take the same free of such lien or claim for unpaid Assessment or charges, but only to the extent of Assessments or charges which accrue prior to foreclosure of the First Mortgage, exercise of a power of sale available thereunder, or taking of a deed or assignment in lieu of foreclosure. No Assessment, charge, Assessment lien, or claim which is described in the preceding sentence as being subordinate to a First Mortgage or as not to burden a First Mortgagee which comes into possession or which obtains title shall be collected or enforced by the Master Association from or against a First Mortgagee, a successor in title to a First Mortgagee, or the Lot, or part thereof or interest therein, affected or previously affected by the First Mortgage concerned. The provisions of this Section 12.2 shall be in addition to the rights of a First Mortgagee under Section 12.3 below.

12.3 Consent of Lender Required. Unless one hundred percent (100%) of Eligible Mortgagees, Members holding seventy-five percent (75%) of the Total Votes of the Master Association and the Class B Member have given their prior written approval, neither the Master Association nor the Owners shall:

12.3.1 Abandon Common Elements. By act or omission seek to abandon or materially change the use of the Common Elements or any of the Improvements thereon which the Master Association owns. The foregoing shall not prohibit or require consent to changes on the Common Elements or the ownership thereof where the Common Elements generally remain usable for their intended purposes without material impairment as contemplated in this Master Declaration. The granting of easements for public utilities or for other public purposes, open spaces conveyances and restrictions and related transactions consistent with the intended use of such property by the Master Association and actions taken pursuant to government requirements shall not be deemed a violation of this clause.

12.3.2 Fire and Extended Coverage Insurance. Fail to maintain fire and extended coverage on insurable Common Elements property on a current replacement cost basis in an amount not less than one hundred percent (100%) of the maximum insurable value.

12.3.3 Fire and Extended Coverage Insurance Proceeds. Use hazard insurance proceeds for losses to any Common Elements for other than the repair, replacement or reconstruction of such Common Elements.

12.4 Amendment. Any Amendment that shall modify the rights granted to Mortgagees under this Article 12 shall require the vote or written assent of sixty-seven percent (67%) of all Eligible Mortgagees.

ARTICLE 13

CONDEMNATION

13.1 Notice. Whenever all or any part of the Common Elements shall be taken or conveyed in lieu of and under threat of condemnation, each Member shall be entitled to notice of

the taking, but the Master Association shall act as attorney-in-fact for all Members in the proceedings incident to the condemnation proceeding, unless otherwise prohibited by law.

13.2 Partial Condemnation; Distribution of Award; Reconstruction. The award made for such taking shall be payable to the Master Association as trustee for all Members to be disbursed as follows: If the taking involves a portion of the Common Elements on which Improvements have been constructed, then, unless within sixty (60) days after such taking Declarant and Members representing at least sixty-seven percent (67%) of the Total Votes of the Master Association shall otherwise agree, the Master Association shall restore or replace such Improvements so taken on the remaining land included in the Common Elements to the extent lands are available therefore, in accordance with plans approved by the Board and the Design Review Committee. If such Improvements are to be repaired or restored, the provisions in Article 10 above regarding the disbursement of funds in respect to casualty damage or destruction which is to be repaired shall apply. If the taking does not involve any Improvements on the Common Elements, or if there is a decision made not to repair or restore, or if there are net funds remaining after any such restoration or replacement is completed, then such award or net funds shall be distributed to Members in proportion to their respective Assessment Units, first to the Mortgagees and then to the Members.

13.3 Complete Condemnation. If all of the Project is taken, condemned, sold, or otherwise disposed of in lieu of or in avoidance of condemnation, then the regime created by this Master Declaration shall terminate, and the portion of the condemnation award attributable to the Common Elements shall be distributed to Members based upon the relative value of the Lots prior to the condemnation.

ARTICLE 14

AMENDMENTS

14.1 Term; Method of Termination. Any provision, covenant, condition or restriction contained in this Master Declaration that is subject to the common law rule sometimes referred to as the "rule against perpetuities" shall continue and remain in full force and effect for the period of fifty (50) years or until this Master Declaration is terminated as hereinafter provided, whichever first occurs. All other provisions, covenants, conditions and restrictions contained in this Master Declaration shall continue and remain in full force and effect until January 1, 2050. From and after said date, this Master Declaration, as amended, shall be automatically extended for successive periods of ten (10) years each, unless there is an affirmative vote to terminate this Master Declaration by the then Members casting eighty percent (80%) of the Total Votes of the Master Association cast at an election held for such purpose or otherwise approved in writing within six (6) months prior to the expiration of the initial effective period hereof or any ten (10) year extension. If the necessary votes and consents are obtained, the Board shall cause to be recorded a Certificate of Termination, duly signed by the President or Vice President and attested by the Secretary or Assistant Secretary of the Master Association, with their signatures acknowledged. Thereupon this Master Declaration shall have no further force and effect, and the Master Association shall be dissolved pursuant to the terms set forth in its Articles.

14.2 Amendment. Subject to the other provisions of this Master Declaration, including without limitation, the rights of Eligible Mortgagees pursuant to Article 12, this Master Declaration may be revoked or amended as follows:

14.2.1 Prior to Declarant's conveyance of a Lot to an Owner that is not a Declarant Affiliate, this Master Declaration and any amendments thereto may be amended or revoked by Declarant's execution of an instrument amending or revoking same.

14.2.2 Subject to Declarant's unilateral right to amend this Master Declaration as described in Section 14.3 below, subsequent to Declarant's conveyance of the first Lot to an Owner that is not a Declarant Affiliate, this Master Declaration and any amendments thereto may be amended by affirmative vote or written consent of not less than sixty-seven percent (67%) of the Total Votes of the Master Association and the consent of the Class B Member.

14.2.3 An amendment or revocation that only requires the execution of an instrument by Declarant shall be effective when executed by Declarant and recorded in the Office of the Recorder of Davis County. An amendment which requires the affirmative vote or written consent of the Members as provided above shall be effective when executed by the President and Secretary of the Master Association who shall certify that the amendment has been so approved, and when the amendment has been recorded in the Office of the Recorder of Davis County.

14.2.4 Notwithstanding the foregoing, any provision of the Articles, the Bylaws, or this Master Declaration, which expressly requires the approval of a specified percentage or specified percentages of the voting power of the Master Association or Eligible Mortgagees for action to be taken under said provision can be amended only with the affirmative vote or written consent of not less than the same percentage or percentages of the voting power of the Master Association and/or Eligible Mortgagees. Any amendment subject to this provision shall be effective after the specified approval has been given and that fact has been certified in a writing executed by the President and the Secretary of the Master Association.

14.3 Unilateral Amendments. As described in Section 14.2.1 above, the Declarant alone may amend or terminate this Master Declaration prior to the closing of a sale of the first Lot to an Owner other than a Declarant Affiliate. Notwithstanding anything contained in this Master Declaration to the contrary, this Master Declaration may be amended unilaterally at any time and from time to time by Declarant if such amendment is (i) necessary to correct typographical errors or inadvertent omissions; (ii) necessary to bring any provision hereof into compliance with any applicable governmental statute, rule, or regulation or judicial determination which shall be in conflict therewith; (iii) reasonably necessary to enable any reputable title insurance company to issue title insurance coverage with respect to the Lots, Buildings or Improvements subject to this Master Declaration; or (iv) necessary to evidence an increase in the total number or Square Feet or density allocated to the Project, or transfer such Square Feet as described in Section 2.3 above; provided, however, any such amendment shall not materially adversely affect the title to any Lot, Building or Improvement unless any such Owner

shall consent thereto in writing. Each Owner hereby agree and acknowledge that Declarant's increase or transfer of Square Feet shall not constitute a "materially adversely affect" to the title to any Lot, Building or Improvement. Further, so long as the Declarant's Class B Membership in the Master Association exists, Declarant may unilaterally amend this Master Declaration for any other purpose; provided, however, any such amendment shall not materially adversely affect the substantive rights of any Owner hereunder, nor shall it materially adversely affect title to any property without the consent of the affected Owner.

14.4 Right of Amendment if Requested by Governmental Agency or Federally Chartered Lending Institutions. Anything in this Article or Master Declaration to the contrary notwithstanding, Declarant reserves the unilateral right to amend all or any part of this Master Declaration to such extent and with such language as may be requested by the Municipal Authority, a State Department of Real Estate (or similar agency), the FHLMC or FNMA and to further amend to the extent requested by any other federal, state or local governmental agency which requests such an amendment as a condition precedent to such agency's approval of this Master Declaration, or by any federally chartered lending institution as a condition precedent to lending funds upon the security of any Lot(s) or any portions thereof. Any such amendment shall be effected by the Declarant's recordation of an amendment duly signed by or on behalf of the members, authorized agents, or authorized officers of Declarant, as applicable, with their signatures acknowledged, specifying the federal, state or local governmental agency or the federally chartered lending institution requesting the amendment and setting forth the amendatory language requested by such agency or institution. Recordation of such an amendment shall be deemed conclusive proof of the agency's or institution's request for such an amendment, and such amendment, when recorded, shall be binding upon all of the Project and all Persons having an interest therein. It is Declarant's desire to retain control of the Master Association and its activities during the anticipated period of planning and development. If any Amendment requested pursuant to the provisions of this Section deletes, diminishes or alters such control, Declarant alone shall have the right to amend this Master Declaration to restore such control.

ARTICLE 15

DECLARANT'S RIGHTS

15.1 Transfer of Declarant's Rights. Any or all of the special rights and obligations of the Declarant or any Declarant Affiliate may be transferred to other Persons, provided that (i) the transfer shall not reduce an obligation nor enlarge a right beyond that contained in this Master Declaration; (ii) no such transfer shall be effective unless it is in a written instrument signed by Declarant and duly recorded in the Office of the Recorder for Davis County; and (iii) no such transfer shall be effective if the same constitutes a breach of or default under any loan documents affecting an interest in the Project. Nothing in this Master Declaration shall be construed to require Declarant or any successor to develop any Additional Land in any manner whatsoever.

15.2 Sales Material. As required by Section 2.10.4 above, and subject to the limitation of liability described therein, so long as Declarant continues to have rights under this Master Declaration, all sales, promotional, and advertising materials, and all forms for deeds, contracts for sale, and other closing documents for the subdivision and sale of Lots in the Project by any

Owner shall be subject to the prior approval of Declarant, which approval shall not be unreasonably withheld. Declarant shall deliver notice to any Owner of Declarant's approval or disapproval of all such materials and documents within thirty (30) days of receipt of such materials and documents and, if disapproved, the specific changes requested. If Declarant fails to so notify any Owner within such thirty (30) day period, Declarant shall be deemed to have waived any objections to such materials and documents and to have approved the foregoing. Upon disapproval, the foregoing procedure shall be repeated until approval is obtained or deemed to be obtained.

15.3 Creation of Limited Common Elements. Declarant reserves the right to create Limited Common Elements, which shall include, without limitation, any areas identified by this Master Declaration, a Supplemental Declaration or on a Plat or other recorded instrument as Limited Common Elements within the Project to be for the exclusive use of one or more but fewer than all of the Lots, such as certain drive aisles, automatic teller machine locations and parking stalls. Declarant reserves the right for itself, and its successors and assigns, to fix the Limited Common Elements via a recorded instrument as it shall determine in its sole and exclusive discretion, and Owners shall not designate, modify or reallocate Limited Common Elements between or among Lots in which they have an interest.

15.4 Modifications. Declarant reserves for itself and Declarant Affiliates, successors, and assigns the right to vary the timing, mix, type, use, style, and numbers of Lots, Buildings and Improvements, the materials, and other such details of construction or modifications with respect to Property owned by Declarant or any Declarant Affiliate.

15.5 Termination of Declarant's Approval Rights and Obligations. Except as otherwise expressly provided for herein, any or all of the approval rights and obligations of the Declarant under this Master Declaration shall terminate on the expiration date of the Declarant Control Period. Thereafter, the Master Association shall have the power to exercise any remaining approval rights, powers and obligations of the Declarant under this Master Declaration.

15.6 Amendment. This Article 15 may not be amended without the express written consent of the Declarant; provided, however, the rights contained in this Article 15 shall terminate upon the earlier of (i) thirty (30) years from the date this Master Declaration is recorded, (ii) upon Declarant's recordation of a written statement that all sales activity has ceased, or (iii) when the Declarant, in its sole and exclusive discretion, otherwise determines as evidenced in a written and recorded instrument.

ARTICLE 16

DISPUTE RESOLUTION AND LIMITATION ON LITIGATION

16.1 Agreement to Avoid Costs of Litigation. The Master Association, Declarant, Members, Owners and all Persons subject to this Master Declaration, and any Person not otherwise subject to this Master Declaration who agrees to submit to this Section (collectively, "Bound Parties") agree to encourage the amicable resolution of disputes involving the properties within the Project, and to avoid the emotional and financial costs of litigation if at all possible. Accordingly, each Bound Party covenants and agrees that all claims, grievances or disputes

between such Bound Party and any other Bound Party involving properties within the Project, including, without limitation, claims, grievances or disputes arising out of or relating to the interpretation, application or enforcement of this Master Declaration or the Governing Documents (collectively "Claim"), except for those Exempt Claims authorized under Section 16.3 below, shall be subject to the procedures set forth in Section 16.2.

16.2 Mandatory Procedures for All Other Claims. Any Bound Party having a Claim ("Claimant") against any other Bound Party ("Respondent") other than an Exempt Claim, shall not file suit in any court or initiate any proceeding before any administrative tribunal seeking redress or resolution of such Claim until it has complied with the following procedures:

16.2.1 Notice. The Claimant shall notify each Respondent in writing of the Claim ("Notice"), stating plainly and concisely:

16.2.1.1 The nature of the Claim, including date, time, location, person involved, Respondent's role in the Claim;

16.2.1.2 The basis of the Claim (i.e., the provision of the Master Declaration, Governing Documents, or other authority out of which the Claim arises);

16.2.1.3 What Claimant wants Respondent to do or not to do to resolve the Claim; and

16.2.1.4 That Claimant wishes to resolve the Claim by mutual agreement with Respondent, and is willing to meet in person with Respondent at a mutually agreeable time and place to discuss in good faith ways to resolve the Claim.

16.2.2 Good Faith Negotiation.

16.2.2.1 Each Claimant and Respondent ("Parties") shall make every reasonable effort to meet in person and confer for the purpose of resolving the Claim by good faith negotiation.

16.2.2.2 Upon receipt of a written request from any Party, accompanied by a copy of the Notice, the Board may appoint a representative to assist the Parties in resolving the dispute by negotiation, if in its discretion it believes its efforts will be beneficial to the Parties and to the welfare of the overall community.

16.2.3 Non-Binding Mediation.

16.2.3.1 If the Parties do not resolve the Claim through negotiation within thirty (30) days of the date of the Notice (or within such other period as may be agreed upon by the Parties) ("Termination of Negotiations"), the Claimant shall have thirty (30) days following Termination of Negotiations to submit the Claim to mediation in accordance with the Rules of Mediation maintained on file

in the office of the Master Association or the Claim shall be deemed abandoned, and Respondent shall be released and discharged from any and all liability to Claimant arising out of such Claim; provided, nothing herein shall release or discharge Respondent from any liability to persons not a Party to the foregoing proceedings.

16.2.3.2 This Section 16.2 is an agreement of the Bound Parties to mediate all Claims except Exempt Claims prior to any judicial action. In the event mediation does not resolve the Claim, then the Parties may pursue all other remedies individually available to them.

16.2.4 Allocation of Costs of Resolving Claims.

16.2.4.1 Each Party shall bear all its own costs incurred prior to and during the proceedings described in this Section 16.2, including the fees of its attorney or other representative.

16.2.4.2 Each Party shall share equally in the costs of conducting the mediation proceeding (collectively, "Mediation Costs"), except as otherwise provided in this Section 16.2.4; provided, however, if the Claim is rejected in whole or in part, the Claimant shall pay all Mediation Costs, including the costs incurred by the Respondent.

16.2.5 Enforcement of Resolution. If the Parties agree to resolve any Claim through negotiation in accordance with Section 16.2.2 above and any Party thereafter fails to abide by the terms of such agreement, or if the Parties agree to accept the award following mediation and any Party thereafter fails to comply with such award, then any other Party may file suit or initiate administrative proceedings to enforce such agreement or award without the need to again comply with the procedures set forth in this Section 16.2. In such event, the Party taking action to enforce the agreement or award shall be entitled to recover from the non-complying Party (or if more than one non-complying Party, from all such Parties pro rata) all costs incurred in enforcing such agreement or award, including, without limitation, attorneys fees and court costs.

16.3 Exempt Claims. The following Claims ("Exempt Claims") shall be exempt from the provisions of Section 16.2:

16.3.1 Any suit by Declarant against any Bound Party to enforce the provisions of this Master Declaration or to enforce any of Declarant's developmental rights set forth in this Master Declaration, including any defensive or responsive actions by the party against whom the action is taken;

16.3.2 Any suit by the Master Association against any Bound Party to enforce the provisions of this Master Declaration, including any defensive or responsive actions by the party against whom the action is taken;

16.3.3 Any suit by the Master Association to obtain a temporary restraining order (or equivalent emergency equitable relief) and such other ancillary relief as the

court may deem necessary in order to maintain the status quo and preserve the Master Association's ability to enforce the provisions of this Master Declaration, including any defensive or responsive actions by the party against whom the action is taken;

16.3.4 Any suit between Members or Owners (other than the Declarant) seeking redress on the basis of a Claim which would constitute a cause of action under the law of the State of Utah in the absence of a claim based on the Governing Documents, if the amount in controversy exceeds \$5,000.00; and

16.3.5 Any suit or enforcement action or exercise of any right or remedy under or in respect of any Mortgage, any indebtedness secured by such Mortgage or any other document or agreement executed in connection with such Mortgage or in respect of any right provided herein with respect to such Mortgage.

Any Bound Party having an Exempt Claim may submit it to the alternative dispute resolution procedures set forth in Section 16.2, but there shall be no obligation to do so.

ARTICLE 17

GENERAL PROVISIONS

17.1 Protection of Lenders. A breach of this Master Declaration or the Articles or Bylaws shall not materially adversely affect or impair the lien or charge of any First Mortgage made in good faith and for value on any Lot, or Building or Improvement thereon; provided, however, that any subsequent Owner of such property shall be bound by the Governing Documents, whether such Owner's title was acquired by foreclosure in a trustee's sale or otherwise.

17.2 Successors and Assigns. Except as otherwise provided herein, this Master Declaration shall be binding upon and shall inure to the benefit of Declarant, the Master Association, and each Member and Owner, and their respective heirs, personal representatives, successors and assigns.

17.3 Limited Liability. Neither Declarant, the Master Association, the Board, the Design Review Committee nor any member, agent or employee of any of the same shall be liable to any party for any injury, damage, loss, cost or expense suffered by reason of any action or for failure to act with respect to any matter if the action taken or failure to act was in good faith and without malice. Moreover, the Master Association, each Owner, and its guest, successors, assigns, and all occupants, lessees, invitees and licensees shall indemnify and hold harmless the Declarant or any Declarant Affiliate for, from and against any liability, claims or expenses, including attorneys' fees, expert fees and court costs, arising from such property damage or personal injury resulting from, connected to or arising out of Declarant's or Declarant Affiliate's ownership of the Communication Facilities described in Section 6.1.5 above. Each Owner further covenants that the Declarant or Declarant Affiliate shall have the right, in the nature of an easement, to subject certain portions of the Project to nuisances incidental to the installation, repair, replacement, maintenance, operation or use of any such Communication Facilities; provided that such easement does not interfere with the construction, location and use of any Lots, Buildings or Improvements at the Project.

17.4 Leases. Any agreement for the leasing or rental of a Lot, Building or Improvement (hereinafter in this Section referred to as a "lease") entered into after the date that this Master Declaration is recorded, shall provide that the terms of such lease shall be subject in all respects to the provisions of the Governing Documents, and any applicable Supplemental Declaration. Said lease shall further provide that any failure by the lessee thereunder to comply with the terms of the foregoing documents shall be a default under the lease. All leases shall be in writing. Any Owner who shall lease the Owner's Lot, Building or Improvement shall be responsible for assuring compliance by such Owner's lessee with the Governing Documents. Failure by an Owner to take legal action, including the institution of proceedings in unlawful detainer against its lessee who is in violation within ten (10) days after receipt of written demand so to do from the Board, shall entitle the Master Association, through the Board, to take any and all such action, including the institution of proceedings in unlawful detainer on behalf of such Owner against the Owner's lessee. Failure by such Owner to make such repayment within ten (10) days after receipt of a written demand therefore shall entitle the Board to levy a Maintenance Charge against such Owner. In the event such Maintenance Charge is not paid within thirty (30) days of its due date, the Board may resort to all remedies of the Master Association for the collection thereof including those set forth in Article 3. Moreover, as an additional remedy, in the event such Owner does not pay such Maintenance Charge, the Owner unconditionally assigns and transfers to the Master Association all rents and revenues due under the lease. The Owner hereby agrees and authorizes the Master Association or the Master Association's agents to collect said rents and revenues and hereby directs each tenant under the lease to pay said rents and revenues to the Master Association or the Master Association's agents. If the Master Association gives a ten (10) day notice of the delinquent Special Assessment to the Owner: (i) all rents received by the Owner shall be held by the Owner as trustee for the benefit of the Master Association only, to be applied to the sums secured by the Assessment lien; (ii) the Master Association shall be entitled to collect and receive all of the rents under the lease until such time the Owner cures his, her or its delinquency; and (iii) each tenant shall pay all rents due and unpaid to the Master Association or the Master Association's agent on the Master Association's written demand to the tenant. Any expenses incurred by the Master Association, including attorneys' fees and costs of suit, shall be repaid to it by such Owner. The foregoing provisions apply to leases entered into after the date this Master Declaration has been recorded.

17.5 Use of Funds Collected by the Master Association. All funds collected by the Master Association, including Assessments, reserves and contributions to the Master Association paid by Members, if any, shall be held by the Master Association in a fiduciary capacity to be expended in their entirety for not-for-profit purposes of the Master Association in managing, maintaining, caring for, preserving and architecturally controlling the Property and for other permitted purposes as set forth in this Master Declaration. No part of said funds shall inure to the benefit of any Member (other than as a result of the Master Association managing, maintaining, caring for, preserving and architecturally controlling the Property and other than as a result of expenditures made for other permitted purposes as set forth in this Master Declaration). Contributions to the Master Association paid by Members, if any, shall be maintained in a segregated account.

17.6 No Public Right or Dedication. Except for the Parking Structure which shall be subject to the Parking Structure Rights, nothing contained in this Master Declaration shall be

deemed to be a gift or dedication of all or any part of the Project or the Property to the public, or for any public use.

17.7 Constructive Notice and Acceptance. Every Person who owns, occupies or acquires any, right, title, estate or interest in any Lot in the Project does and shall be conclusively deemed to have consented and agreed to every limitation, restriction, easement, reservation, condition and, covenant contained, referred to or incorporated herein, whether or not any reference to this Master Declaration is contained in the instrument which such Person acquired an interest in said Lot.

17.8 Notices. Any notice permitted or required to be delivered as provided herein shall be in writing and may be delivered either personally or by mail. If delivery is made by mail, it shall be deemed to have been delivered seventy-two (72) hours after a copy of the same has been deposited in the United States mail, postage prepaid, addressed to any Person at the address given by such Person to the Master Association for the purpose of service of such notice, or to the residence of such Person if no address has been given to the Master Association. Such address may be changed from time to time by notice in writing to the Master Association. All notices to the Master Association may be sent to the following address, subject to the Board's right to change such address from time to time by notice in writing to the Members:

Town Center, LLC
Attention: Bruce Broadhead
5445 South 900 East
Salt Lake City, Utah 84117

17.9 Unsegregated Real Property Taxes. Until such time as real property taxes have been segregated by the appropriate Davis County Assessor for any portion of the Property subdivided by a Plat, the respective Owners of Lots shall pay the same therein. In connection with such payment, the proportionate share of such tax or installment thereof for a particular Lot in such portion of the Property shall be determined by multiplying the tax or installment in question by a fraction the numerator of which is the estimated value of such Lot and all improvements thereon and the denominator of which is the total estimated value of all Lots within such portion of the Property and all improvements thereon. For purposes hereof, the Board shall obtain a determination as to such estimated values from a qualified appraiser selected by it. The Master Association may levy a Maintenance Charge against any Member who fails to pay the Member's share of any real property taxes pursuant to this Section.

17.10 Interpretation. Except for judicial construction, the Declarant, prior to the Change in Control Date, and thereafter the Master Association, by its Board, shall have the exclusive right to construe and interpret the provisions of this Master Declaration. In the absence of any adjudication to the contrary by a court of competent jurisdiction, the Declarant's or the Master Association's construction or interpretation of the provisions hereof shall be final, conclusive and binding as to all Persons and property benefited or bound by the covenants and provisions hereof. All such construction and interpretation shall, to the extent possible, be consistent with the other terms and provisions of the Governing Documents, and shall reflect the intent of this Master Declaration and the overall master development plan for the Project as embodied in the Governing Documents. The provisions of this Master Declaration shall be liberally construed to

effectuate its purpose of creating a uniform plan for the development of a commercial mixed-use planned unit community within the Project. The article and section headings have been inserted for convenience only, and shall not be considered or referred to in resolving questions of interpretation or construction. Unless the context requires a contrary construction, the singular shall include the plural and the plural the singular; and the masculine, feminine and neuter shall each include the masculine, feminine and neuter. The terms "recorded and recordation" shall refer to recording as the official records of the Davis County Recorder's office.

17.11 Severability. Invalidity or unenforceability of any provision of this Master Declaration in whole or in part shall not affect the validity or enforceability of any other provision of this Master Declaration.

17.12 Declarant's Disclaimer of Representations. Anything to the contrary in this Master Declaration notwithstanding, and except as otherwise may be expressly set forth on the Master Plat or other recorded instrument, Declarant makes no warranties or representations whatsoever that the plans presently envisioned for the complete development of the Project can or will be carried out, or that any such land (whether or not it has been subjected to this Master Declaration) is or will be committed to or developed for a particular (or any) use, or if that land is once used for a particular use, such use will continue in effect. Declarant shall have the right to make changes or modifications to this Master Declaration, the Master Plat or any other land use or landscaping plan with respect to any property owned by Declarant or a Declarant Affiliate in any way that the Declarant desires, so long as such changes or modifications do not materially adversely affect any other Owner.

17.13 Security. The Master Association may, but shall not be obligated to, maintain or support certain activities within the Project designed to make the Project safer than they otherwise might be. Neither the Master Association, nor Declarant shall in any way be considered insurers or guarantors of security within the Project, however, and neither the Master Association, nor Declarant shall be held liable for any loss or damage by reason of failure to provide adequate security or ineffectiveness of security measures undertaken. All Owners and their tenants, guests, licensees and invitees acknowledge that Declarant, the Master Association and its Board, and the Design Review Committee do not represent or warrant that any fire protection system or burglar alarm system designated by or installed according to the Design Guidelines may not be compromised or circumvented, that any fire protection or burglar alarm systems will prevent loss by fire, smoke, burglary, theft, hold-up, or otherwise nor that fire protection or burglar alarm systems will in all cases provide the detection or protection for which the system is designed or intended. Each Owner and each tenant, guest, licensee and invitee hereby acknowledges and understands that Declarant, the Master Association, its Board and the Design Review Committee are not insurers and that each Owner and each tenant, guest, licensee and invitee assumes all risks for loss or damage to Persons or property within the Project and further acknowledges that Declarant, the Master Association, its Board, and the Design Review Committee have made no representations or warranties nor has any Owner or any tenant, guest, licensee and invitee relied upon any representations or warranties, expressed or implied, including any warranty of merchantability or fitness for any particular purpose, relative to any fire and/or burglar alarm systems recommended or installed or any security measures undertaken within the Project.

17.14 Interpretation of the Covenants. Except for judicial construction, Declarant, prior to the expiration date of the Declarant Control Period, and thereafter the Master Association, by its Board, shall have the exclusive right to construe and interpret the provisions of this Master Declaration. In the absence of any adjudication to the contrary by a court of competent jurisdiction, the Declarant's or the Master Association's construction or interpretation of the provisions hereof shall be final, conclusive and binding as to all Persons and property benefited or bound by the covenants and provisions contained in this Master Declaration. All such construction and interpretation shall, to the extent possible, be consistent with the other terms and provisions of the Governing Documents, and shall reflect the intent of this Master Declaration and the overall Master Plat for the Project as embodied in the Governing Documents.

17.15 References to the Covenants in Deeds. Deeds or any instruments affecting any Lot, Building or Improvement, or any part of the Project may contain the covenants and restrictions herein set forth by reference to this Master Declaration; but regardless of whether any such reference is made in any deed or instrument, each and all of the covenants and restrictions shall be binding upon the grantee-Owner or other person claiming through any instrument and its heirs, executors, administrators, successors and assigns.

17.16 Change of Circumstances. Except as otherwise expressly provided in this Master Declaration, no change of conditions or circumstances shall operate to extinguish, terminate or modify any of the provisions of this Master Declaration.

17.17 Notice of Violation. The Master Association shall have the right to record a written notice of a violation by any Owner and each tenant, guest, licensee and invitee or occupant of such Owner or any restriction or provision of the Governing Documents. The notice shall be executed and acknowledged by an officer of the Master Association and shall contain substantially the following information:

- 17.17.1 The name of the Owner or such tenant, guest, licensee or invitee;
- 17.17.2 The legal description of the Lot, Building or Improvement against which the notice is being recorded;
- 17.17.3 A brief description of the nature of the violation;
- 17.17.4 A statement that the notice is being recorded by the Master Association pursuant to this Master Declaration; and
- 17.17.5 A statement of the specific steps that must be taken by the Owner or such tenant, guest, licensee and invitee to cure the violation.

Recordation of a notice of violation shall serve as a notice to the Owner or such tenant, guest, licensee and invitee, and to any subsequent purchaser of the Lot, Building or Improvement, that there is such a violation. If, after the recordation of such notice, it is determined by the Master Association that the violation referred to in the notice does not exist or that the violation referred to in the notice has been cured, the Master Association shall record a notice of compliance which shall state the legal description of the Lot, Building or Improvement against which the notice of violation was recorded, the recording data of the notice of violation, and shall state that the

violation referred to in the notice of violation has been cured or, if such be the case, that it did not exist. Notwithstanding the foregoing, failure by the Master Association to record a notice of violation shall not constitute a waiver of any existing violation or evidence that no violation exists.

17.18 Use of Renaissance Towne Centre Terms. No Person shall use the terms "Renaissance Towne Centre" or any derivative or combination thereof in any printed or promotional material without the prior written consent of Declarant. However, Owners of Lots may use the terms "Renaissance Towne Centre" in printed or promotional matter where such term is used solely to specify that particular property is located within the Project.

[The remainder of this page intentionally left blank.]

IN WITNESS WHEREOF, Town Center, LLC, has executed this Master Declaration this 26 day of March, 2003.

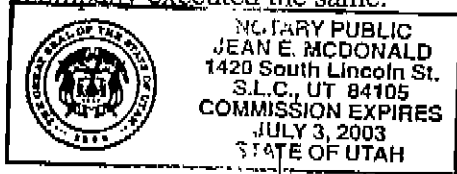
TOWN CENTER, LLC,
a Utah limited liability company

By: Bruce V Broadhead
Its: Manager

By: Stephen R Gilmore
Its: Manager

STATE OF UTAH }
 ss.
COUNTY OF SALT LAKE }

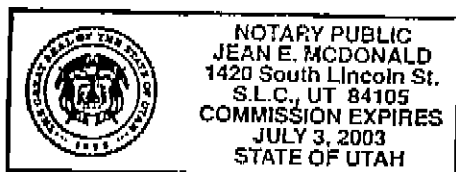
On the 26 day of March, 2003, personally appeared before me Bruce V. Broadhead, signer of the above Master Declaration, who being duly sworn, did say that he is the Manager of Town Center, LLC, a Utah limited liability company, and that the Master Declaration was signed in behalf of said company under authority granted by its operating agreement, and he duly acknowledged to me that said company executed the same.



Jean E. McDonald
Notary Public
Residing at: Salt Lake City, Utah

STATE OF UTAH }
 ss.
COUNTY OF SALT LAKE }

On the 26 day of March, 2003, personally appeared before me Stephen R. Gilmore, signer of the above Master Declaration, who being duly sworn, did say that he is the Manager of Town Center, LLC, a Utah limited liability company, and that the Master Declaration was signed in behalf of said company under authority granted by its operating agreement, and he duly acknowledged to me that said company executed the same.



Jean E. McDonald
Notary Public
Residing at: Salt Lake City, Utah

Exhibit A

Property Legal Description

Beginning at a point on the Southeast right-of-way line of Utah State Highway 68 (formerly known as Highway 106) which point is N 89°53'57"E 267.30 ft. along the Section Line and N 26°51'21"E 831.06 ft. along the centerline of said Highway 68 and S 63°08'39"E 46.00 ft. from the Southwest corner of Section 30, T.2N., R.1E., S.L.B.& M. and running thence N 26°51'21"E 95.00 ft. along said Highway 68 right-of-way line; thence S 63°08'39"E 147.74 ft.; thence Northeasterly 235.96 ft. along the arc of a 1,133.50 ft. radius curve to the right through a central angle of 11°55'37" (chord bears N 25°11'40"E 235.53 ft.); thence N 31°09'28"E 223.85 ft.; thence Northeasterly 33.21 ft. along the arc of a 25.00 ft. radius curve to the left through a central angle of 76°06'48" (chord bears N 69°12'53"E 30.82 ft.); thence N 31°09'28"E 78.53 ft.; thence Northwesterly 32.40 ft. along the arc of a 25.00 ft. radius curve to the left through a central angle of 74°14'37" (chord bears N 5°57'51"W 30.18 ft.); thence S 89°45'21"W 188.73 ft. to a point which is N 26°51'21"E 594.13 ft. along said Southeast right-of-way line of Highway 68 from the point of beginning; thence N 26°51'21"E 4.49 ft. along said Southeast right-of-way line of Highway 68; thence N 89°45'21"E 463.45 ft. along the South boundary of 1500 South Street (a 66 ft. wide road); thence S 31°09'28"W 4.69 ft.; thence S 89°45'21"W 180.93 ft.; thence S 31°09'28"W 90.87 ft.; thence S 58°50'32"E 92.00 ft.; thence N 31°09'28"E 69.50 ft.; thence S 58°50'32"E 62.44 ft.; thence S 31°09'28"W 8.00 ft.; thence S 58°50'32"E 136.56 ft.; thence S 31°09'28"W 321.00 ft. along the Northwest boundary of Main Street; thence N 58°50'32"W 191.00 ft.; thence S 31°09'28"W 48.000 ft.; thence N 58°50'32"W 113.50 ft.; thence Southwesterly 297.97 ft. along the arc of a 1,066.50 ft. radius curve to the left through a central angle of 16°00'29" (chord bears S 23°12'27"W 297.00 ft.); thence N 63°08'39"W 216.70 ft.; thence Southwesterly 32.18 ft. along the arc of a 50.00 ft. radius curve to the left through a central angle of 36°52'11" (chord bears S 45°17'27"W 31.62 ft.) to the point of beginning.

Containing 3.5043 Acres

pt 03-041-0030

Exhibit B

Additional Land

PARCEL #1

Beginning at the Southeast Corner of Lot 5, Block K., North Mill Creek Plat, Bountiful Townsite Survey, which point is S 89°45'21"W 33.00 ft. along the centerline of 1500 South Street (a 66 ft. wide road) and N 0°09'21"E 33.00 ft. along the projected West line of 200 West Street (a 66 ft. wide road) from an existing brass monument at the centerline intersection of said 200 West Street and 1500 South Street and running thence S 89°45'21"W 619.05 ft. along the North boundary of said 1500 South Street; thence along the East boundary of State Highway 68 in the following two courses: N 0°14'39"W 13.49 ft., N 26°51'21"E 399.02 ft.; thence along the boundary of Continental Townhouse Condominiums in the following three courses: S 89°44'49"E 293.85 ft., S 0°09'21"W 90.18 ft., S 89°46'19"E 146.00 ft.; thence S 0°09'21"W 274.78 ft. along said West line of 200 West Street to the point of beginning.

Containing 4.1881 Acres

*03-038-0022
0023
0024
0025*

PARCEL #2

Beginning at the intersection of the South boundary of 1500 South Street (a 66 ft. wide road) and the Northwest boundary of Main Street which point is N 89°53'57"E 857.89 ft. along the Section Line and N 31°14'47"E 1,447.49 ft. along the Monument Line of said Main Street and N 58°50'32"W 36.34 ft. from the Southwest corner of Section 30, T.2N., R.1E., S.L.B.& M. said point of beginning being also S 31°14'47"W 99.05 ft. along said Monument Line and N 58°50'32"W 36.34 ft. from an existing brass monument at the intersection of said Main Street and 200 West Street and running thence S 31°09'28"W 211.70 ft. along said Northwest boundary of Main Street; thence N 58°50'32"W 136.56 ft.; thence N 31°09'28"E 8.00 ft.; thence N 58°50'32"W 62.44 ft.; thence S 31°09'28"W 69.50 ft.; thence N 58°50'32"W 92.00 ft.; thence N 31°09'28"E 90.87 ft.; thence N 89°45'21"E 180.93 ft.; thence N 31°09'28"E 4.69 ft.; thence N 89°45'21"E 160.00 ft. along said South boundary of 1500 South Street to the point of beginning.

Containing 0.9226 Acres

03-041-0080

PARCEL #3

Beginning at a point on the Southeast right-of-way line of Utah State Highway 68 which point is N 89°53'57"E 267.30 ft. along the Section Line and N 26°51'21"E 926.06 ft. along the centerline of said Highway 68 and S 63°08'39"E 46.00 ft.

from the Southwest corner of Section 30, T.2N., R.1E., S.L.B.& M. and running thence N 26°51'21"E 499.13 ft. along said Highway 68 right-of-way line; thence N 89°45'21"E 188.73 ft.; thence Southeasterly 32.40 ft. along the arc of a 25.00 ft. radius curve to the right through a central angle of 74°14'37" (chord bears S 5°57'51"E 30.18 ft.); thence S 31°09'28"W 78.53 ft.; thence Southwesterly 33.21 ft. along the arc of a 25.00 ft. radius curve to the right through a central angle of 76°06'48" (chord bears S 69°12'53"W 30.82 ft.); thence S 31°09'28"W 223.85 ft.; thence Southwesterly 235.96 ft. along the arc of a 1,133.50 ft. radius curve to the left through a central angle of 11°55'37" (chord bears S 25°11'40"W 235.53 ft.); thence N 63°08'39"W 147.74 ft. to the point of beginning.

Containing 1.8788 Acres

pt 03-041-0030

PARCEL #4

Beginning at a point on the Southeast right-of-way line of Utah State Highway 68 which point is N 89°53'57"E 267.30 ft. along the Section Line and N 26°51'21"E 93.77 ft. along the centerline of said Highway 68 and S 63°08'39"E 46.00 ft. from the Southwest corner of Section 30, T.2N., R.1E., S.L.B.& M. and running thence N 26°51'21"E 737.29 ft. along said Highway 68 right-of-way line; thence Northeasterly 32.18 ft. along the arc of a 50.00 ft. radius curve to the right through a central angle of 36°52'11" (chord bears N 45°17'27"E 31.62 ft.); thence S 63°08'39"E 216.70 ft.; thence Northeasterly 297.97 ft. along the arc of a 1,066.50 ft. radius curve to the right through a central angle of 16°00'29" (chord bears N 23°12'27"E 297.00 ft.); thence S 58°50'32"E 113.50 ft.; thence N 31°09'28"E 48.00 ft.; thence S 58°50'32"E 191.00 ft.; thence along the Northwest boundary of Main Street in the following three courses: S 31°09'28"W 256.73 ft., S 88°45'57"W 9.77 ft., S 31°09'28"W 636.39 ft.; thence Southwesterly 30.09 ft. along the arc of a 30.00 ft. radius curve to the right through a central angle of 57°28'30" (chord bears S 59°53'43"W 28.85 ft.); thence along the North boundary of 1800 South Street in the following two courses: S 88°37'58"W 281.94 ft.; Northwesterly 167.24 ft. along the arc of a 460.00 ft. radius curve to the right through a central angle of 20°49'49" (chord bears N 80°57'07"W 166.32 ft.); thence Northwesterly 25.49 ft. along the arc of a 15.00 ft. radius curve to the right through a central angle of 97°23'34" (chord bears N 21°50'26"W 22.54 ft.) to the point of beginning.

Containing 9.4621 Acres

pt 03-041-0030